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# Special Report



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## What Works for Welfare? Recent Experiences in Washington and Oregon

On August 14, 1935 President Franklin Roosevelt signed the Social Security Act, originating the welfare system as we know it. Specifically, Title IV of the Act established the program that is now named Aid to Families with Dependent Children (AFDC). By 1993 the annual benefits paid through this program totalled \$22.7 billion; Washington state residents received \$610 million. Why, after 60 years, is there such wide dissatisfaction with the welfare system? What lessons from past welfare programs should guide current efforts to change the system?

A consensus has slowly evolved since the sixties. Work is better than welfare, and the ultimate indicator of the success of a welfare program is the number of people who leave it for jobs. Over the years two general strategies have emerged. The first, *human capital development*, stresses education and training whereby AFDC clients learn new skills in a classroom setting. The goal is to qualify participants for higher paying jobs in order to increase their long-term chances of remaining off welfare. The second strategy, *labor force attachment*, places people in jobs as quickly as possible.

From the late sixties to the late eighties, the basic Work Incentives Programs (WIN) tried to increase the rate of employment of participants, but with little success. During the eighties a number of states received waivers from federal regulations, allowing experimentation with alternatives to the basic WIN. Some of these "WIN demonstration" projects showed promising results. Beginning in 1988 the Family Support Act, with the Job Opportunities and Basic Skills Training Programs (JOBS) tried to build upon the more successful of the WIN demonstrations. Still, the effort to move welfare recipients into work is popularly judged a failure. Bill Clinton, who as Governor of Arkansas played a major role in the enactment of the Family Support Act, ran for president vowing to "end welfare as we know it."

Why have these efforts to encourage work fallen far short of expectations?

Two major problems can be pinpointed. First, state governments have tended to embrace human capital development. The experience of WIN and JOBS, however, shows that labor force attachment is the better approach. For example, California's JOBS program, Greater Avenues for Independence Program (GAIN), is a county administered program that differs significantly in each area. In a recent report comparing the experiences of six counties, the Manpower Demonstration Research Corporation (MDRC), found that one, Riverside, experienced both the lowest program cost per recipient and the largest gains in AFDC client earnings. This program distinguished itself by its strong emphasis on moving participants into the work force as quickly as possible and a corresponding de-emphasis on formal human capital development<sup>1</sup>.

This conclusion is also supported in the national evaluation of the JOBS Program conducted by MDRC for the U.S. Department of Health and Human Services. The study explicitly tested the relative efficacies of the human capital development and labor force attachment strategies. MDRC reported that two years after entering JOBS, those who were subject to the labor force attachment approach had experienced significant increases in rates of employment and earnings and significant decreases in the receipt of AFDC and Food Stamps relative to the control group.

In comparison, the impacts of the human capital development style JOBS programs were not as great. The employment rate for these JOBS participants was more than that of the control group, but the increment was less than one-third that seen for the labor force attachment approach and was not statistically significant. Earnings were actually lower for human capital development JOBS participants than for the controls. The utilization of AFDC and Food Stamps by these participants was less than that of the controls, but again this increment was less than seen for those in the labor force attachment JOBS<sup>2</sup>.

The second problem that severely affected the outcomes of past welfare programs is a lack of commitment to reform, evidenced by failures both to provide adequate funding and to change the mission of welfare. Washington State's Family Independence Program, a pilot welfare reform program from 1988 through 1993, failed in part for these reasons.

Even with full funding, programs do not succeed if they do not redefine welfare: Able-bodied recipients must see the program as a temporary bridge rather than a permanent way of life. The Congressional supporters of JOBS intended for the program to do this. Researchers at the Nelson A. Rockefeller Institute of Government at the State University of New York at Albany, however, found after evaluating ten JOBS programs that the states had failed to realize "the promise of JOBS."<sup>3</sup> Both conservatives and liberals who had supported the Family Support Act in Congress had hoped to fundamentally change the public's perception of welfare's mission; JOBS would represent a new social contract under which recipients had an obligation to become self-sufficient while government had the reciprocal obligation to provide temporary support and the services that would help them achieve this end. But in none of the states studied by the Rockefeller Institute did the programs spur this change in attitude and purpose.

This message must also be clear in labor force attachment programs in order for them to be effective. Judith Gueron, the president of MDRC, noted that the offices where the labor force attachment approach is successfully practiced have a distinctive atmosphere which is not typical of JOBS nationally. "In order to achieve results of this magnitude, it is necessary to dramatically change the tone and message of welfare. When you walk in the door of a high-performance, employment focused program, it is clear that you are there for one purpose — to get a job. . . If welfare looked like this everywhere, we probably wouldn't be debating this issue again today."<sup>4</sup>

Two Northwest programs are illustrating how a labor force attachment program, with the full commitment from the community, the bureaucracy and the leadership, can succeed. In Seattle, a private nonprofit program called Washington Works is helping AFDC women find jobs. The organization provides a twelve-week intensive training program that produces capable and dependable employees ready for entry level positions. The women must pass a rigorous two phase program: in the first phase, women learn to become motivated, self-directed, committed to excellence, able to learn from failure and eager to take the initiative; in the second phase, the enrollees improve their professional, communication and computer skills. Those who pass the technical and behavioral requirements of the training program graduate into the Employment Department where they start their job search. Upon placement, working graduates enroll in Washington Works' two-year Graduate Services Program, which includes job retention support, transitional guidance, career and education planning and peer counseling.

Washington Works boasts an impressive success rate. They have a placement rate of 80 percent, with 85 percent of placements to full-time positions. The rate of those still off public assistance after 12 months is 87 percent, compared to 55 percent nationally. Washington Works graduates have a greater tendency to stay with their first employer, 65 percent compared to 27 percent nationally.

In Oregon, a new welfare reform program called JOBS Plus requires public assistant recipients to work for their benefits. The program began in October 1994 as a six counties pilot. Oregon's 1995 Legislature voted to extend the program statewide.

Under the JOBS Plus pilot program, businesses and private nonprofit agencies agree to hire welfare recipients who forego their monthly Food Stamps and AFDC checks in exchange for paychecks. The foregone welfare benefits are paid instead into the JOBS Plus Program Special Fund, from which employers are reimbursed for wages paid to the participants, as well as Social Security, workers' compensation and Unemployment Insurance taxes. After thirty days, employers are required to create an Individual Education Account for each client and contribute one dollar for every hour worked to that account. The client can use this money for continuing education once he or she has completed the JOBS Plus program and has held an unsubsidized position for at least thirty days. If, after six months, the employer does not offer the client a permanent position, he or she may spend up to eight hours a week (with pay) searching for another job. Placements last nine months.

The preliminary results from the program are hopeful. In the pilot counties, Oregon's Adult and Family Services (AFS) Division has placed clients in a wide range of jobs, many paying more than minimum wage. Equally important, AFDC clients, AFS workers and JOBS Plus employers have so far expressed satisfaction with the pilot programs.

While it is too soon to compare actual cost and caseload reductions to the goals,<sup>5</sup> the program has already succeeded in several important ways. There is a true commitment to the program and to changing welfare. The citizens of Oregon pledged their support when they approved the 1990 initiative which outlined the program that became JOBS Plus. On election day 57 percent voted in favor of Measure 7, with 43 percent against. Moreover, the measure received a majority of the votes in all but one of Oregon's thirty-six counties. In other words, the voters sent a message to the political leadership that it was time to make some decisive changes in the welfare system. In the Oregon State Legislature, the subsequent compromise bill to implement the program received bi-partisan and state agency support. This alliance became essential in gaining the support of Governor Barbara Roberts who, like her predecessor, had been vehemently opposed to the program. The business community has also stepped up to the challenge. More employers in the pilot counties have expressed interest in the program than AFS has needed. Finally, AFS is sending the self-sufficiency message from the first day of the program. When applicants walk through the door to sign up for AFDC benefits, they are immediately required to start job searching. If they have not found a job within the allotted time, they are then placed in a JOBS Plus position. AFS is also working to eliminate bureaucratic obstacles and to ensure that the program works as well as possible. For example, the division has taken steps to simplify communication between AFS and employers, assigning only one or two people as the main contacts. AFS is also attempting to coordinate with other agencies to solve problems that have arisen. In short, the message from the community, the political leadership and the agencies is clear: AFDC is intended to be a transitional assistance program only.

Washington state continues its struggle to develop its own comprehensive welfare reform bill. Legislators, the public and the state bureaucracy should use this time to review welfare's history, to establish the reasons for past failures in this state and across the nation, and to seriously look at programs like Washington

Works and JOBS Plus. With 60 years of both successes and failures, there is much to be learned, as demonstrated by the remainder of this report.

## Aid to Families with Dependent Children and the Work Incentives Program

In 1935 President Franklin Roosevelt introduced four major components to the federal welfare system: Social Security, Aid to Families with Dependent Children (AFDC), Workmen's Compensation and Unemployment Insurance. Until the 1950s the purposes behind these programs remained intact. In his book, *Losing Ground: American Social Policy 1950-1980*, Charles Murray identifies the original intentions of the New Deal programs. "Social Security and Workmen's Compensation were to take care of those who could not or should not have to work. Unemployment Insurance was to take care of workers thrown out of jobs for reasons beyond their control. AFDC was to take care of widows with small children."<sup>6</sup>

The creators of AFDC expected that this program would be temporary. It was thought that Social Security, when fully extended, would cover the dependents of all workers through the survivors insurance provision; consequently, the pool of AFDC beneficiaries, or the widows and their children, would eventually transfer to Social Security.

In the early 1950s, the federal government expanded AFDC to all single parents with children. By the end of the decade, it became clear that the majority of AFDC recipients were not widows with young children; rather, the beneficiaries tended to be families headed by women who had never married or who were separated from their husbands. "Give a hand, not a handout" became the cry. Middle-class America was frustrated and angered by stories of large families being reared at government expense. At the same time the leaders in the civil rights movement began "to express their outrage at what they saw as pervasive injustice in the American system. . . Yes, the messengers of the movement agreed, welfare was too often permanent, but because of opportunity denied rather than opportunity spurned."<sup>7</sup> Self-sufficiency was the answer. And it was the government's responsibility to take an active role in helping the people.

Staying true to the theme, the Johnson Administration proposed an extension of AFDC benefits in the form of job training, community antipoverty projects, loans, part-time jobs for students, and the creation of VISTA and the domestic Peace Corps. The enactment of this 1964 law marks the transition to the federal government's direct involvement in welfare. This role increased tremendously during the 1964-1967 period with the passage of more antipoverty bills, Food Stamps, Medicare, Medicaid, public housing programs and additional manpower training programs.

In 1967 social policy transformed again, from "the dream of ending the dole to the institution of permanent income transfers that embraced not only the recipients of the dole but large new segments of the American population."<sup>8</sup> This same year, AFDC benefits were again extended, but surprisingly Congress also required states to develop Work Incentive Programs (WIN). Through WIN programs, state workers would assist those AFDC recipients who did not have preschool-aged children to find jobs.

The 1967 law was significant, as it contained the first work requirement for those receiving AFDC benefits. This work incentive provision, however, proved contentious, and a battle over principles erupted. "The very idea of a work test was attacked as an 'atrocious' by liberal members of Congress and social welfare

groups,” as explained by Lawrence M. Mead in *The Politics of Poverty*. “. . .Most liberals still treated the vast majority of adult welfare recipients as unemployable, blaming personal problems on a hostile environment in the classic sociological style.”<sup>9</sup>

From its inception until the 1980s, employment programs under WIN did little to move people off welfare. WIN failed for a variety of reasons. First, despite increasing acceptance of the workfare concept, the ideological struggle still continued; this effectively hampered any undertaking to implement the work mandate. Second, only one-third of employable clients actively participated in their respective WIN programs.<sup>10</sup> The low participation partially resulted from the requirement that eligible beneficiaries register for WIN, but not actively seek work. Finally, underfunding and poor management hindered the effectiveness of the WIN programs.

Three attempts were made to revise WIN. The first two in 1969 and 1977 respectively, moved towards a more federalized welfare system with stronger work requirements. Ideological confusion prevented President Richard Nixon’s plan from moving forward in 1969, while a poor economy and questions about the realities of child care and other support services for those required to work hampered President Jimmy Carter’s plan in 1977. In 1981, however, the arguments against work requirements had subsided, and the Omnibus Budget Reconciliation Act of 1981 included a provision that allowed states several options to develop their own work programs.

The state programs, called WIN Demonstrations, employed one of two broad strategies to help AFDC clients become self-sufficient. Many states remained true to the 1960s belief that education and training programs would finally triumph as the best way of moving AFDC recipients off welfare. The intent of this approach, noted earlier in the Executive Summary as the *human capital development* strategy, was to increase the earning power of AFDC clients, and therefore their long-term ability to get off and remain off AFDC.<sup>11</sup> The second strategy, *labor force attachment*, emphasized workfare in which AFDC clients receive training and skills through on-the-job experience.

While WIN demonstration programs did increase the rate of employment of participants, the increases were not dramatic. Like WIN, WIN Demonstrations suffered heavily from underfunding and a general lack of commitment by welfare workers and clients alike.

## The Family Support Act

The Family Support Act (FSA) of 1988 was viewed at that time as the most significant reform in the U.S. welfare system in more than fifty years. Since political and sociological differences had narrowed in the 1980s, the new program received strong bipartisan support. As Senator Daniel Moynihan framed it, “Conservatives have persuaded liberals that there is nothing wrong with obligating able-bodied adults to work. Liberals have persuaded conservatives that most adults want to work and need some help to do so.”<sup>12</sup>

The major provisions of the FSA included a series of measures intended to strengthen the enforcement of child support orders. The Act also required states to provide twelve months of transitional child care and Medicaid to families who lost their cash assistance because of increased earnings. The intention here was to reduce the immediate financial penalty of leaving welfare for work.

The core of FSA was the new Job Opportunities and Basic Skills Training Programs (JOBS), which replaced WIN. JOBS was intended to provide AFDC families with “the education, training and employment

that will help them avoid long-term welfare dependence.” The federal legislation provided a framework that allowed states to design their own programs.

While they wanted AFDC recipients to work, liberals held fast to their belief that parents on welfare needed the proper training, education and support services before volunteering for a workfare program. Conservatives contended that while some preparation was necessary, enforcement of recipient participation was, at the bottom line, the key factor. The final compromise included both human capital development and labor force attachment elements.

JOBS is still the main welfare-to-work program today. States first have to provide job readiness training, encompassing “activities that help prepare participants for work by assuring that participants are familiar with general workplace expectations and exhibit work behavior and attitudes necessary to compete successfully in the labor market.”<sup>13</sup> These activities target general life skills, like personal grooming, stress management and self-esteem. They also include teaching specific skills, such as job search strategies and interview techniques. States must provide any appropriate primary or secondary educational activities as necessary, such as basic literacy classes, instruction in English as a second language and preparation for a General Educational Development (GED) certificate. If the states so choose, they may add post-secondary education, including vocational training, as part of their JOBS program.

Finally, states must provide two of four work activities: group or individual job search, a community work experience program, on-the-job training, and work supplementation. Job search is the simplest of these activities for states to administer. The other three activities require states to create job opportunities for recipients.

## The Experience of JOBS

Rockefeller Institute researchers reported in a 1992 study that state welfare administrators believed that JOBS had increased the emphasis of educational services in their programs.<sup>14</sup> The researchers concluded that the ten states in their study, *Implementing JOBS: Initial State Choice*, had placed much more emphasis on human capital investment than labor force attachment.

In expanding their welfare employment programs, states gave more attention to accessing services designed to increase earning capacity than to moving people into immediate employment. Of the human capital services, education is most important: states devoted additional resources to basic education, and many drew upon public schools and post-secondary schools for educational services. . . .

Of the JOBS components designed to move people into the labor force, job search was by far the most common activity of participants, followed by work experience. It is less clear that JOBS implementation increased the capacity of welfare agencies to provide job search and work experience programs. . . . Participation in on-the-job training and work supplementation programs was extremely infrequent in almost all the sites.<sup>15</sup>

Looking across the sites, we see clearly that they did not expand their use of the three JOBS components designed to create opportunities for work [community work experience, on-the-job training, and work supplementation]. No site made significant efforts to expand its work experience program, while some cut back their efforts, and very few individuals participated in on-the-job training. Despite the potential for reducing welfare costs over the long run, welfare agencies did not generally view work supplementation as worth the time and trouble it appeared to entail. Compared to the

development of job readiness and education services and, in selected states, job skills training programs, sites focused little attention on the direct creation of job opportunities in implementing JOBS.<sup>16</sup>

In his writings, Paul Offner supports the Rockefeller Institute's conclusion. He describes the Family Support Act as a historic compromise between congressional liberals and conservatives which made self-sufficiency the keystone of welfare.<sup>17</sup> But, he notes that the programs implemented by the states don't truly reflect that compromise.

But behind the new consensus lay two quite different notions of how welfare reform would work. Liberals had a vision of increased support services, like day care and counseling, and of welfare mothers finishing high school and eventually finding "good" jobs. Conservatives were more likely to think about recipients finding immediate employment, even at low wages, and community work projects or workfare for those who did not. . . .

. . . The participation rate required by the Family Support Act is low . . . because neither the federal nor state governments had the funds to do more. . . . states have been able to meet the participation requirements with volunteers . . . .

The voluntary nature of JOBS is reflected in the activities selected by participants. About half of them are choosing some form of education; over one tenth are in post secondary education. In contrast, community work experience, or "workfare," has all but disappeared. . . . the end result is certainly quite different from what the congressional drafters of the Family Support Act expected.

. . . the liberal vision of JOBS has won out. In most places, welfare reform has involved little coercion and has stressed the sorts of activities that the liberals favor, particularly education.<sup>18</sup>

Additional studies have also examined the design and performance of various state JOBS programs. These studies presented evidence that those JOBS programs which emphasized labor force attachment have been more successful than those which stress human capital development.

For example, in the Executive Summary of *The JOBS Evaluation: Early Findings on Program Impacts in Three Sites*, the authors conclude that "The Human Capital Development approach — through its use of basic education — led to a modest increase in GED or high school diploma receipt. Within the short follow-up period for which data are currently available, however, this had not yet translated into earnings impact." As for the Labor Force Attachment programs, they write, "The LFA approach succeeded in substantially increasing the number of people who found work and left welfare within two years. Impacts on AFDC receipt, AFDC payments, employment rates, and earnings were all relatively large. . . the reduction in AFDC payments was very impressive overall."<sup>19</sup>

These conclusions would not surprise Charles Murray who in 1984 pointed out that as early as the mid-sixties, training programs and community action programs had already failed to help people escape welfare dependency, even during a period where the nation had a strong economy combined with availability of jobs after the start of the Vietnam War.

The failure of the training programs was a [great] surprise. These of all programs were expected to be a sure bet. They dealt with individuals, not institutions, and teaching a person who wants to learn is something we know how to do. But starting with the first evaluation in the mid-sixties and continuing to the present day, the results failed to show the hoped-for results, or anything close to them. The programs were seldom disasters; they simply failed to help many people get and hold jobs that they would not have gotten and held anyway."<sup>20</sup>

In *Implementing JOBS: Initial State Choice*, authors Jan L. Hagen and Irene Lurie look beyond the legislative provisions and the welfare rolls. Their evaluation also looks at the spirit of the legislation, for it is this spirit that was considered to be so revolutionary.

[The legislation's] advocates intended JOBS to be a signal to welfare systems throughout the nation that they should take on a mission that emphasizes services intended to reduce welfare dependency rather than just to provide cash assistance. Moreover, government and recipients should enter into a new social contract that would redefine their relationship as one of mutual obligation. In doing so, government would fulfill its obligation to provide the services that people need to become self-sufficient. Welfare recipients, in turn would be encouraged to fulfill their obligation to make efforts on their own behalf to prepare for jobs and enter the labor force.<sup>21</sup>

Hagen and Lurie's conclusion was that after the initial phase of JOBS implementation, states were not meeting the spirit of the law. "In none of the study states did JOBS spur state leaders to alter their public stance toward welfare or to make a strong personal commitment to reform their welfare programs in light of the new law. . . Nor has the theme of mutual obligation been prominent in the rhetoric of state leaders or reflected in their policies." In terms of obligation, states are failing in both funding of JOBS and mandated participation of welfare clients. The authors conclude that commitment to the JOBS program in these two areas is "the most significant issue now facing the states."<sup>22</sup>

## Washington State's Family Independence Program

At the time that the federal government approved the Family Support Act and JOBS, Washington state was testing its own welfare reform program, called the Family Independence Program (FIP). FIP operated in fifteen communities throughout the state between July 1988 and June 1993. The program offered financial incentives for welfare recipients to participate in education, work, and job training. It also provided support services for clients returning to the work force, including Medicaid coverage and help with child care costs.

The program ended when evaluations showed that caseloads in the pilot communities actually rose rather than fell during the test period. The Urban Institute, a social policy research organization based in Washington, D.C., published *The Evaluation of the Washington State Family Independence Program* in April 1994, identifying several weaknesses in the program which lead to a limited impact on education and training.

First, FIP was voluntary instead of mandatory. As a result, FIP recipients did not choose to partake in the available employment-related activities that would help them find a job and leave the welfare rolls. Second, the differences between the educational and training services offered by the AFDC program (which FIP was designed to replace) and FIP were minimal. Consequently, the difference in results between AFDC and FIP services were negligible. Third, increasing caseload size limited the amount of one-on-one contact caseworkers could have with clients. Thus, caseworkers were unable to provide the intended individual attention and guidance that could have made the program more successful. Fourth, program policy was complex, which made it difficult for agency staff to implement and hard for participants to understand. Clients were often not aware of all the benefits offered through the program. Finally, FIP was under pressure to remain cost neutral. But, according to the Urban Institute's findings, the mandated cost ceiling, combined with limited state funds and high caseload growth, forced program administrators to significantly scale back the program in order to stay within budget, thereby preventing certain program features from being fully implemented.



## After FIP

With the FIP program scheduled to terminate, the 1993 Legislature passed a bill that sought to incorporate the positive aspects of FIP into the statewide JOBS program. House Bill (HB) 1197 allowed AFDC recipients to retain more earned income before the welfare grant is reduced. It also instructed the Washington State Department of Social and Health Services (DSHS) to seek federal approval to amend the state plan so that AFDC recipients could work more than the maximum 100 hours per month. DSHS was also to develop statewide services with the general focus on job training, work force preparedness and job retention. Other provisions included providing for teen mothers on AFDC, preparing a pilot project of electronic benefit transfer for Food Stamps, AFDC and the Women, Infants, Children programs. Finally, the legislation extended AFDC benefits to certain families with 18-20 year old children pursuing a higher education degree; Governor Mike Lowry vetoed this last stipulation, because the Legislature had not included funding for its implementation in the operating budget.

## 1994 Welfare Reform in Washington State

In 1994 the Legislature tackled the welfare system in greater depth. In a roundtable hosted by the Washington Research Council that same year, Rep. Helen Sommers (D-Seattle), chief architect of the reform legislation, explained the major intents of the Welfare Reform Act (SHB 2798): changing the culture of the welfare office; making welfare a transition to employment; encouraging young people to wait to have children until they are ready; and addressing the specific need of teen mothers. "We opted for a moderate approach," said Sommers, "and we were able to bring together very different views."

To implement the Legislature's intent, the bill decreed that DSHS staff had to communicate to recipients the temporary nature of AFDC. JOBS would change from a voluntary program to a mandatory program, and DSHS employees were instructed to aggressively seek private and public matching funds for JOBS. A voluntary wage supplementation pilot program, aimed at the "hardest to employ" and those "at-risk of long-term dependence on welfare," was created to subsidize wages paid by private employers to AFDC recipients. The rest of the bill dealt with efforts to reduce teen pregnancy.

Governor Lowry vetoed the most substantial and significant part of the bill, mandatory enrollment in JOBS. In his veto message, Lowry stated that this section prohibited AFDC recipients from pursuing a liberal arts education. "This conflicts with the need to encourage self-sufficiency," he wrote. In addition the vetoed section mandated that those with children of age 3, and not age 6, would have to enroll in the program. "[This] does not take into consideration the benefits of parenting and the stresses on low-income families."

## What Now?

Looking ahead, states could well see a radical change in how they can administer AFDC and how it is funded. On January 4 President Bill Clinton vetoed the welfare overhaul bill passed by the Republicans in Congress. Nevertheless some version of the welfare reform bill is expected to be enacted eventually. In the meantime, states need to consider how to handle the coming shift of responsibility. Currently the expectations are that states will receive broader authority over welfare programs, a change that some states will welcome.

Governor William Weld of Massachusetts recently argued that states should be freed from the constraints of federal bureaucracy and allowed to address problems with which they have more familiarity. "For every change [in AFDC] we wanted to make, we had to ask Washington's permission for a waiver of federal law, and then put up with a half a year of paper pushing and haggling."<sup>23</sup>

If the Republicans are successful, states will receive federal AFDC funding in block grants. As a result, states will have discretion in determining AFDC eligibility, work requirements, restrictions on aid, social services, employment programs, and time limits; all are central issues to the current heated debate. Washington state legislators have already begun proposing alternative welfare programs. Before a decision is made, it is wise to look at other programs, both in the private and public sectors, to see what could work in this state.

## Washington Works

Washington Works is a private nonprofit organization that offers a ten- to fourteen-week, 420 hour, intensive training program for women receiving AFDC. The program is committed to producing capable, dependable employees able to succeed in either customer service or administrative entry-level positions. The employment community actively participates in curriculum design, evaluation and validation process to ensure that the training satisfies the needs of area employers.

The Washington Works program consists of two phases: personal effectiveness training and professional excellence training. Personal Effectiveness training lasts four weeks and is considered by Washington Works to be the core of the program. The curriculum is designed to confront those obstacles which have prevented women from being successful on the job or have kept them out of work altogether. Components include communication skills, planning for achievement, and the development of motivations. The goal is to reawaken participants and instill in them the awareness that they have a voice in what happens in their lives.

The aim of the Professional Excellence phase is to produce competency in professional and interpersonal communications, customer service, keyboard skills, data-entry, and administration responsibilities. Participants learn word-processing, spreadsheets, database and graphics programs; improve their written, verbal and non-verbal communication skills; and master business etiquette and telephone manners. Finally, in job readiness training, participants prepare their professional portfolios complete with cover letters and resumes.

Those women who pass the technical and behavioral requirements of the training program, graduate into the Employment Department where they start their job search. Upon placement, working graduates enroll in Washington Works' two-year Graduate Services Program, which includes job retention support, transitional guidance, career and education planning, and peer counseling.

Businesses who employ Washington Works graduates receive an on-the-job subsidy of up to 50 percent of wages for up to three months. They also receive a full year of follow-up support between employer and employee from the program.

As of March 1995 Washington Works boasted an 80 percent placement rate of which 85 percent were placed in full-time positions. The average starting wage was \$8.16, and all 100 percent of placements have been with employers who offer medical benefits. In comparison to national statistics, 87 percent of Washington Works graduates remain off public assistance twelve-months post hire, compared to 55 percent nationally. Six-months post hire, 70 percent of Washington Works graduates are still with the first employer, compared to 54

percent nationally, and twelve-months post hire, 65 percent of Washington Works graduates are still with first employer, compared to 27 percent nationally.<sup>24</sup> While self-selection of participants may explain some of this success, these results are nevertheless impressive.

## Welfare Reform in Oregon State

In November of 1990, Oregon residents voted on Measure 7, an initiative that called for drastic reform of the state's public assistance program. Measure 7, titled "The Full Employment Program," proposed that a three-year, six county pilot project be implemented in which AFDC recipients would be required to work for their benefits. Recipients would be placed in jobs and would be paid by their employers at 90 percent of minimum wage. The money that normally would have been distributed to the recipients through Food Stamps, AFDC and unemployment compensation benefits would be used to pay the participants' wages. Employers would be prohibited from replacing existing workers with workers subsidized by the Full Employment Program. The program did not include child care, health care, or other additional benefits.

AFDC mothers under the age of nineteen years would be able to choose high school rather than work. Alcoholics and drug addicts would be paid while attending treatment programs. Beneficiaries of the federal Supplemental Security Income program who were eligible for food stamps would receive cash instead of stamps, without a work requirement.

The pilot program would operate in the six counties, two with low population, two with moderate population, and two with high population, where the measure received the greatest voter support in the election.

The driving force behind Measure 7 was a Klamath Falls, Oregon businessman, Richard Wendt. Wendt is the president of Jeld-Wen, Inc., the second largest employer in Klamath County, and the sixth largest privately held company in the state. Together with his father, Wendt bought a small manufacturing plant in 1960, which has since become an international company with 9,000 employees worldwide and 4,200 nationally.<sup>25</sup>

Wendt's quest to reform welfare began in the late 1970s when he gathered together a group of friends and colleagues to study the system. The group hoped to design a program that would recast welfare as a system where recipients worked in public service jobs in return for their benefits. In this, friends said, Wendt was guided by a strong belief in the redemptive power of work.<sup>26</sup> As a result of their efforts, Wendt became convinced that work in the private sector would be much better for workfarers than public service jobs. In 1981, he tried to promote this vision of workfare first with his state representative and then with Oregon Senator Mark Hatfield, but neither expressed interest in championing the plan.<sup>27</sup> Wendt concluded that there was little interest at that time among policy makers at either the state or the national level to tackle fundamental welfare reform, and so he decided to step back and wait.

When welfare reform became a front burner issue at both the state and federal level in the late 1980s, Wendt decided to take his alternative vision of welfare reform directly to the people of Oregon. In the spring of 1990, Wendt formed *Oregonians for Full Employment* to press for workfare through an initiative. Initial funding for the group came from his company, Jeld-Wen, Inc. The group drafted an initiative that outlined the Full Employment Program in language that could be easily understood by voters. As a consequence, this short and simple measure put to the voters would require significant elaboration by the Legislature in order to be implemented. After some initial difficulties, the group collected sufficient signatures to qualify the initiative, Measure 7, for the November 1990 ballot.<sup>28</sup>

Measure 7 began the campaign season with broad public support. A poll conducted in late August for the *Oregonian* found that 89 percent approved of the measure while only 8 percent disapproved.<sup>29</sup> One month later, support had slipped only slightly, to 87 percent approval and 12 percent disapproval.<sup>30</sup>

Opponents offered a number of arguments against the measure. It was called divisive, setting the fortunate against the unfortunate. “[Measure 7 is] tantamount to slavery. I’m concerned it can incite more hatred in the community, and at this time we need to work together to solve problems.”<sup>31</sup> And it would punish people for being in situations beyond their control. “There is a very conservative value system they’re trying to promote with that thing. It’s based on the philosophy that people on unemployment are not Americans.”<sup>32</sup>

Many opponents believed that a lack of skills was the biggest problem for welfare recipients. Placing welfare and unemployment compensation recipients in low-skill, dead end jobs was not a long-run solution. “[The measure] misunderstands the roots of poverty.”<sup>33</sup> Consequently, opponents wanted a welfare program which built up human capital so that recipients might qualify for high wage jobs. “Even though the title [of the ballot measure] sounds very reassuring, we don’t see it as investing in people and making their lives better.”<sup>34</sup>

Others criticized the measure for failing to provide child care, saying that at a wage of \$4.27 an hour, or 90 percent of Oregon’s minimum wage, most parents, particularly those with more than one child, would not be able to afford child care. Some opponents also questioned the premise that single mothers should be expected to join the labor force. “Those who say welfare mothers are paid for not working have no concept of what a full-time job it is to raise small children. No job is worth more.”<sup>35</sup>

Wendt’s motives were also tested. “. . . it would provide access to plant labor at subsidized rates. The kinds of operations he has are very labor intensive.”<sup>36</sup> They argued that Measure 7, in effect, would transform AFDC, Food Stamps and Unemployment Insurance into “corporate welfare.” “Wendt is getting cheap labor at no cost to himself. The true benefits of this program are reaped by employers, like Wendt.”<sup>37</sup>

Wendt responded to criticisms about day care, saying that an increase in the supply of low wage labor would provide new workers for day care programs and bring day care costs down. He countered criticisms of the program’s low wages by explaining that low wages gave participants an incentive to find a regular job as soon as possible. As to the criticisms about cheap labor, Wendt pointed out that the labor was not free, since employers would have to provide training and supervision. He also argued that there was no guarantee that he would benefit from the program, since the state would select the pilot counties based on their support for the ballot measure. Indeed, this was the case, since the measure received a majority of votes in all but one of Oregon’s thirty-six counties. That county was Wendt’s own, Klamath.

## Problems Implementing Measure 7

Controversial aspects of the new measure slowed the plan’s implementation. Federal law required that the state receive a special waiver from the federal government, since the federal moneys allocated for Oregon’s Food Stamps and AFDC grants would be used in ways other than specified by law. Opponents, including then Governor Neil Goldschmidt and Governor-elect Barbara Roberts, believed that the federal government would never give its approval. Indeed, the federal government refused to grant the waiver on first application, demanding that the Oregon Legislature authorize two changes: First, the program would have to pay participants the full minimum wage; second, certain demographic groups including the aged, blind and disabled must be exempted from participation.

With tremendous pressure on the Oregon Legislature and a pending lawsuit against Governor Barbara Roberts, House Bill 2459, the revised version of the Full Employment Program, was signed into law in 1993. The Act stated:

(1) In establishing and implementing a pilot program to be known as the JOBS Plus Program, it is the intent of the legislative assembly to promote greater economic self-sufficiency among Oregon families and workers by:

(a) Increasing the employability of unemployed and under employed Oregonians through on-the-job training;

(b) Invigorating the public-private work force partnership through development of jobs with both private for-profit and public employers; and

(c) Insuring that program participants through their employment development plans have opportunities to improve work skills, education and employability and establish recent work histories with work site training, mentoring, individual education accounts and provision of necessary support service benefits that include child care, workers' compensation, job placement and a guarantee that participation in the JOBS Plus Program does not result in reductions of net income to participants.

(2) The JOBS Plus Program is created as a three year pilot program in which residents of six selected counties in the State of Oregon shall, in lieu of receiving coupons under the food stamp program and payments from the aid to dependent children program, be provided jobs and be paid in a way that promotes self-sufficiency and encourages unemployed Oregonians to improve their position in the work force. Recipients of unemployment insurance in the pilot counties also shall be offered employment under the program.

In the course of the negotiations, the Full Employment Program picked up a new name, JOBS Plus.

## JOBS Plus

In each pilot county, a JOBS Plus Implementation Council of seven members is appointed. At least two members of each Council must be former recipients of either AFDC, Food Stamps, or unemployment insurance. The primary role of these councils is to link the JOBS Plus program to the local business community in order to insure an adequate supply of positions in which to place recipients.

Both private and public employers obtain workers under the program. These JOBS Plus placements must be new positions; they cannot replace current employees or fill existing vacancies. In addition, workers placed with an employer through JOBS Plus can not be paid less than the prevailing wage paid to others with equivalent training and experience.

Adult recipients of AFDC benefits, Food Stamps, and unemployment compensation are eligible for the program. Unemployed absent parents of children receiving AFDC also qualify.

Case workers prepare an employment development plan with the goals of removing barriers to employment, developing work skills and obtaining unsubsidized employment for each participant. AFDC recipients then pass through a life skills class and, if necessary, are enrolled in classes to earn a GED certificate.

When participants are placed in jobs through JOBS Plus, AFDC and Food Stamp benefits stop. Participants do, however, retain their Medicaid eligibility. In addition, day care is provided if required. If the value of

the AFDC and Food Stamp benefits foregone by the participant exceeds the monthly full-time pay that she is scheduled to receive, JOBS Plus will make a supplemental payment to ensure that there is no financial penalty. If, however, a client regularly misses work, AFS can reduce the supplemental payment based on the lost hours.

An employer accepting a participant under the JOBS Plus program will receive an hourly subsidy equal to the Oregon minimum wage, \$4.75. In addition, the employer is reimbursed for social security taxes and for unemployment insurance and workers compensation premiums.

After the participant has been on the job thirty days, the employer begins to pay one dollar per hour into an individual education account established in the participants name within the state's JOBS Plus Program Special Fund. The money that accumulates in this account becomes available to the participant 30 days after he or she enters full time unsubsidized employment and may be used to pay for continuing education or training at the state's community colleges or institutions of higher education. When the participant becomes eligible to access the benefit, the state will reimburse the employer for one-half of its contributions if it hires the AFDC client.

## JOBS Plus in Operation

In its first year, Oregon's Adult and Family Services Department (AFS) has placed clients in a wide range of jobs, including positions as bank tellers, maintenance workers, printing assistants and even a dog groomer. Many clients have been placed in clerical positions. Joellen Piluso, the JOBS Plus coordinator for Clackamas County, says she makes an effort to place participants in jobs that match their career interests and goals.<sup>38</sup> Some types of jobs are more in demand than others. Most participants, when asked, say they prefer office jobs, with regular Monday through Friday work schedules, so they can spend evenings and weekends with their families. In general, JOBS Plus coordinators are faced with the challenge of developing an inventory of the kinds of jobs that clients want.

AFS has placed many people in jobs that pay more than \$4.75 per hour and a few in jobs that pay as high as \$7 or \$8 an hour. It is important to note that when an employer offers a client more than the state minimum wage, the business, not the state, pays the additional amount.

Recruiting employers is the responsibility of the JOBS Plus coordinator in each county and the local implementation council. To date, more employers have expressed interest in the program than AFS has needed. Piluso says she does not want to market the program too aggressively until there are more participants ready for placement. "When you develop a position with an employer, you make a promise. What if you can't deliver?"

Most of the current JOBS Plus participants have been placed in small businesses. This is due in part to the requirement that employers must place JOBS Plus participants in newly created positions. One JOBS Plus coordinator noted that large companies can face difficulties when creating new positions, as a result of the numerous layers of bureaucracy. Small businesses offer several advantages in serving clients. They can give a great deal of personal attention to their new employees, and the JOBS Plus participants may not feel as lost in a smaller organization. On the other hand, large businesses also have their advantages. In a large company, there may be more room for an employee to advance. Moreover, as Robin Scapple, the JOBS Plus coordinator for Washington County, notes when looking ahead to the program's expansion, big businesses can take several participants at once. She says, "With a large company, you might only have to sell the program once, not twenty-five times."

## Benefits for JOBS Plus Participants

Perhaps the chief benefit for clients is the time and personal attention they receive from employers. In many ways, employers take over where case managers and the Life Skills class leave off. Employers coach clients on soft job skills, including the importance of regular attendance and arriving at work on time. In some ways an employer may be more effective at carrying out social interventions than a case manager or Life Skills instructor, because the expectations of the employer and the possible retributions of failure at a job are greater than those of a social service worker.

The paycheck itself, as opposed to a welfare check, is a program benefit. A paycheck implies that what the client is doing is real and important, not a handout. Susan Nystrom, a case manager in Washington County says sometimes her JOBS Plus clients do not even realize they are on AFDC anymore. One client who was terminated from a JOBS Plus position was anxious to get into another one so she did not have to go back on welfare. Teresa, a client who has been in several employment programs, likes JOBS Plus. "It's nice to get a paycheck with someone else's name on it besides the State of Oregon." The paycheck is also a symbol of the client's efforts to help themselves.

While participants in the JOBS Plus program are not offered the opportunity to pursue education or vocational training immediately, the program does offer them the chance to further their education at a later date. As noted earlier, after a participant has worked in a JOBS Plus position for 30 days, the employer must contribute \$1 for each hour the client works to an Individual Education Account.<sup>39</sup> Participants may use the account to attend classes at any state community college or institute of higher education. Clients gain access to the funds in their account 30 days after they start working in an unsubsidized position.

With the availability of the IEA, the JOBS Plus program combines a work requirement with an opportunity for education. This provision ensures that the clients who pursue an education are those most likely to benefit from it, since they will have chosen to attend, while at the same time working at least part-time to support themselves. Many clients have expressed enthusiasm for the Individual Education Accounts. One participant said that she would like to use her IEA to take classes in accounting. Another client said she would like to go back to school to get training to work in the medical field.

Participants identify other program benefits. Many report learning new job skills. One person, employed at a mortgage lending company, says she is learning how to stack loans and is taking on additional responsibility in marketing. Another client who works for a business that helps real estate brokers list houses on the Internet is learning new software applications. Many clients report improving their computer skills.

Clients also like the job placement services offered by JOBS Plus, because they are able to find a job, even if it is temporary, without engaging in a full-fledged job search. For participants who lack recent job experience and references, a search can be a long, discouraging process. With the new skills and confidence they build in their JOBS Plus position, clients are better equipped to face a job search at a later date.

## Why Employers Participate

When asked why they chose to participate, employers report that the program is both an opportunity to give something back to the community and a way to try out a new employee at low cost. In particular, for small business owners who otherwise would not be able to afford another full-time position, it is a chance to

experiment with expanding their operations. Like the participants, employers also like the job placement services. Mary Scott of United Communication Systems says it is often a hassle to find people to fill an entry level position. In this case, the JOBS Plus program acts as an employment agency. Employers like to be able to call their JOBS Plus coordinator and have them send out two or three candidates to choose from.

Employers appear to derive a tremendous amount of satisfaction from the program. They like the opportunity to provide a community service. One supervisor says, "As a single parent, I am very busy. This is a chance for me to give something back to the community without taking time away from my family." At Williams Control, Mentor Kathy Brown reports, "Originally, the support for the program came from the top. But now it has taken on a life of its own." She says that many employees have been supportive of the company's three JOBS Plus participants, including those not officially designated as mentors.

Even employers who have been unable to offer participants a permanent position say they really like the program. One employer says, "I would hate to have the client go away thinking she didn't get a job because of the work she has done." Even if a participant is unable to remain at the business, employers are willing to offer references, something lacked by many JOBS Plus participants who have been out of work for a long time.

As for the critics who believed that employers might try to take advantage of workers, because of subsidized wages, one JOBS Plus coordinator notes, "The businesses that may be looking for cheap labor drop out fast. There is too much of a commitment involved in terms of time, support and training."

## All is Not Roses

The program's recent implementation makes it hard to assess its potential success in moving people off welfare. As can be expected several difficulties have arisen in the early stages. One problem, for example, is the low participation rate. In July, Clackamas County had fewer than ten clients placed in jobs,<sup>40</sup> from more than 1,460<sup>41</sup> AFDC cases. There are several reasons for the low numbers. First, many clients are exempt from the program for reasons including pregnancy and disability. Moreover, in the research counties, 50 percent of all non-exempt clients are placed in a control group which eliminates another large group of participants.

The question is, what happens to the remaining 400-500 clients who should be eligible for the program? Some clients have not entered this phase of the program, as they lack a GED or fail to meet other requirements. Others choose to take a reduced grant rather than participate in JOBS Plus. The reasons can range from family problems to an increase in rent if the participant lives in subsidized housing. Finally, AFS staff report that they have had difficulty communicating with other agencies to solve intra-agency problems.

Two other potential problems have to do with cost neutrality and employer recruitment. So far JOBS Plus coordinators in the pilot counties have had no trouble recruiting a sufficient number of employers, but this is expected to change when the program goes statewide. First, in the non-pilot counties, there could be twice the amount of JOBS Plus eligible clients. AFS may have difficulty recruiting enough employers to accommodate several thousand more participants state wide, particularly if they all have to be placed in newly created positions. Another question has to do with cost neutrality. The law requires that JOBS Plus not cost the taxpayers more than current welfare programs; JOBS Plus, however, could prove to be costly. In addition to the wage reimbursement and medical coverage, the state also has to help the client pay for full-time child care. While the program has the potential to reduce welfare expenditures in the long run by helping people off assistance, the state may have trouble meeting the relatively high program costs in the short run. For example, in March



1995 alone, AFS spent \$174,124 for Employment-Related Day Care in Clackamas County and a total of \$2,344,755 for the state.

## 1995 JOBS Plus Legislation

In 1995 the Oregon Legislature again turned to welfare reform, extending the JOBS Plus program state-wide, making some modifications to the program and toughening welfare benefits all around. In particular, the new bill limited the expectant mothers exclusion from mandatory participation in JOBS to the ninth month of pregnancy. While for the seventh and eighth month, mandatory participation was limited to ten hours a week. The new mother's exclusion was limited to the first ninety days following birth.

The law also strengthened the hands of caseworkers. The exemptions to participation which had been listed in 1993 legislation, (HB 2459) would only be available if the participant's caseworker agreed they were appropriate. Financial sanctions were toughened. In fact, noncooperation extending beyond four months now results in the loss of all benefits.

The bill includes time limits for AFDC recipients. With few exceptions, AFDC is now available for twenty-four months in a five year period. The limit, however does not apply "if the person is participating in an employment and training program including any employment search activities required by the program."

Minors who are parents and are receiving aid must live with their parent or legal guardian.

The two parent AFDC program will be suspended for the months of June, July, August, and September, unless the parent is participating in an education or job training program.

Under the new statewide JOBS Plus program, the length of the participant's placement in subsidized employment is cut by one third, from nine months to six months. After four months, a participant who has not been offered an unsubsidized position must be allowed eight hours of paid job search a week. Unemployment insurance recipients are fully integrated into the program. Any balances in a participants educational account which are unused after five years are forfeited to the state.

Unlike the pilot JOBS Plus, substance abuse, lack of child care, and lack of transportation are no longer cause for exemption from the program. Case workers are no longer required to prepare an employment development plan for each participant. Nor must participants pass a life skills class or earn a GED before being placed in a subsidized job. The department, though, may offer life skills and GED classes to appropriate participants.

## On the Right Track

State legislators have already proposed similar versions of JOBS Plus here in Washington state. The bills, like the work requirement provision in the 1994 welfare reform proposal, have been defeated. This state will have to make some tough choices in the future about welfare, however, and a new direction should be developed. As labor force attachment programs like Washington Works and Oregon's JOBS Plus begin to show long-term results, workfare programs may become more popular. Leadership may even find that they have more goals in common than originally thought.

## Endnotes

- <sup>1</sup> James Riccio et al., "GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program," New York, Manpower Demonstration Research Corporation, 1994.
- <sup>2</sup> Ibid.
- <sup>3</sup> Irene Lurie and Jan L. Hagen, *Implementing JOBS: Initial State Choices*, Rockefeller Institute of Government, SUNY Albany, March 1992 and Jan L. Hagen and Irene Lurie, *Implementing JOBS: The Initial Design and Structure of Local Programs*, Rockefeller Institute of Government, SUNY Albany, July 1993. The ten states included Maryland, Michigan, Minnesota, Mississippi, New York, Oklahoma, Oregon, Pennsylvania, Tennessee and Texas. The second report, on local programs, only examined nine states, omitting Minnesota.
- <sup>4</sup> Judith M. Gueron, "Finding a Way Out of the Welfare Bind," *The Seattle Times*, September 19, 1995.
- <sup>5</sup> As a requirement for obtaining a federal waiver, the State of Oregon is required to conduct an evaluation of JOBS Plus. This five year study, which is being performed by the Regional Research Institute at Portland State University, will eventually provide answers to the important questions regarding the program's effectiveness.
- <sup>6</sup> Murray, Charles. *Losing Ground: American Social Policy 1950-1980*. 1984.
- <sup>7</sup> Ibid, p. 20.
- <sup>8</sup> Ibid, p. 25.
- <sup>9</sup> Mead, Lawrence M. *The New Politics of Poverty: The Nonworking Poor in America*. 1992. p. 186.
- <sup>10</sup> Ibid, p. 168.
- <sup>11</sup> U.S. Department of Health and Human Services and U.S. Department of Education. *The Jobs Evaluation: Early Findings on Program Impacts in Three Sites*. Executive Summary. July 1995.
- <sup>12</sup> Mead, p. 201.
- <sup>13</sup> 45 CR 250.44(c).
- <sup>14</sup> Irene Lurie and Jan L. Hagen, *Implementing JOBS: Initial State Choices*, March 1992, p. 7.
- <sup>15</sup> Ibid, *Design and Structure of Local Programs*, p 92.
- <sup>16</sup> Ibid, p. xviii.
- <sup>17</sup> Paul Offner, "Workfail: Waiting for Welfare Reform," *The New Republic*, December 28, 1992, p. 13.
- <sup>18</sup> Paul Offner, "JOBS: How Are We Doing? Where Are We Going?," *Public Welfare*, Summer 1992, pp. 8, 11.
- <sup>19</sup> U.S. Department of Health and Human Services and U.S. Department of Education, ES-3.
- <sup>20</sup> Murray, p. 37.
- <sup>21</sup> Ibid, p. 19.
- <sup>22</sup> Ibid.
- <sup>23</sup> William Weld, *The Wall Street Journal*, Monday, Dec. 11, 1995, editorial page.
- <sup>24</sup> Program description and data are from Washington Works material, 1995.
- <sup>25</sup> Ashbel S. Green, "Shy Tycoon Spearheads Oregon's Welfare Reform," (*Portland*) *Oregonian*, September 26, 1994.
- <sup>26</sup> Ibid.
- <sup>27</sup> John McClaughry, *A Better Path: From Welfare to Work, The Full Employment Program*, Concord, Vermont, The Ethan Allen Institute, 1993, pp. 65-66.
- <sup>28</sup> McClaughry describes the difficulties overcome in qualifying the measure for the ballot, pp. 67-70.
- <sup>29</sup> Jim Hill, "Poll Shows Strong Voter Support for Recycling of Product Packaging," (*Portland*) *Oregonian*, September 5, 1990. Measure 6, the recycling measure was the second most popular with 82 percent approval.
- <sup>30</sup> Holly Danks, "Open Enrollment Measure Totters," (*Portland*) *Oregonian*, October 5, 1990. Support for Recycling had fallen to 63 percent.
- <sup>31</sup> Debra Lee, quoted in Gordon Oliver, "Full Employment Program Backers Face Huge Mission," (*Portland*) *Oregonian*, September 17, 1990.
- <sup>32</sup> Ed Silling, a communications professor at Oregon Institute of Technology; quoted in Oliver, "Full Employment Program Backers Face Huge Mission."
- <sup>33</sup> Alice Dale, executive director of the Oregon Public Employees Union, quoted in Gail Kinsey Hill, "Labor, Elderly, Human Service Groups Fight Measure 7," (*Portland*) *Oregonian*, October 10, 1990.
- <sup>34</sup> John Mullin, Co-Chairman of the Human Services Coalition of Oregon; quoted in Oliver, "Full Employment Program Backers Face Huge Mission."
- <sup>35</sup> Ardith Muse, Letter to the Editor, (*Portland*) *Oregonian*, October 5, 1990.
- <sup>36</sup> John Ward, an industrial management professor at Oregon Institute of Technology; quoted in Gordon Oliver, "Work Ethic Motivates Father of Measure 7," (*Portland*) *Oregonian*, September 17, 1990.
- <sup>37</sup> Teri Shaw, Letter to the Editor, (*Portland*) *Oregonian*, September 26, 1990.
- <sup>38</sup> Washington Research Council staff members spent time in Oregon speaking with JOBS Plus coordinators, participants and employers to study the program first-hand.
- <sup>39</sup> If an employer hires a JOBS Plus participant for a permanent, unsubsidized position, the state reimburses the employer for 50 percent of his or her contribution to the Individual Education Account.
- <sup>40</sup> Number reported by Clackamas County staff at the July 25, 1995 implementation council meeting.
- <sup>41</sup> Source: State of Oregon, Department of Human Resources, Adult and Family Services Division.

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