Overall, low-income families have fared well in the first five years since passage of the federal welfare reform law, the Personal Responsibility and Work Opportunity Act of 1996. Bolstered by a strong economy, many families moved off welfare and into jobs, and the number of families receiving welfare declined by half. Poverty rates are down, and fewer children are being raised in single-mother households.

Yet even in prosperous times, many families who left welfare were struggling, and many families remaining on the rolls faced serious barriers to employment. As the nation enters a period of economic downturn, the need for a strong safety net of federal and state programs to assist low-income families both on and off welfare is likely to grow. Moreover, the law’s emphasis on moving mothers from welfare to work, although a good first step, does not guarantee positive outcomes for children. Research shows that children do best when their families achieve increased employment and income, when they live in low-conflict households with the love and support of both parents, and when they spend time in high-quality child care and after-school activities. Thus, to benefit children, three strategies are key:

- **Helping families achieve an adequate standard of living.** Programs that increase economic resources in low-income working families by as little as $1,200 to $4,000 per year have been shown to have positive impacts on child development. Important steps needed to help low-income working families attain adequate resources include stronger efforts to connect them to support services and educational opportunities that lead to better jobs and higher wages.

- **Helping families provide stable and supportive homes.** Having a nurturing and secure home environment, including the love and support of both biological parents, remains the most critical influence on young children’s well-being. Welfare programs can help strengthen family functioning and the home environment by allowing greater flexibility concerning part-time work for single mothers, by identifying and addressing the serious difficulties faced by some families, and by encouraging fathers to be more involved with their children both financially and emotionally. Programs that increase mothers’ education levels also have been shown to have positive impacts on parenting and children’s development.

- **Helping families access quality child care and after-school programs.** Providing low-income children with access to quality environments not only enables mothers to work, but it also can enhance children’s development and well-being. Studies show that poor children are especially likely to benefit from positive experiences in child care and after-school programs. More high-quality options in low-income neighborhoods are needed for children of all ages.

For the nation’s welfare programs to improve the lives of low-income children, a focus on child well-being needs to be a top priority. Such an emphasis is important not only to ensure a brighter future for the children themselves, but for all of society, since we all pay the costs of educational failure, increased crime and violence, and reduced worker productivity when children fail to receive the nurturing and supports they need to achieve their potential.
Welfare and other support programs should extend outreach efforts to ensure that low-income families who are no longer, or who never have been, on welfare receive the supports and services they need until they earn sufficient income to provide an adequate standard of living for their families.

Welfare programs should expand their goals to include reducing poverty and promoting family economic and child well-being. Job retention and advancement services for low-income families should be one of the strategies in support of this goal, and incentives should be provided to encourage development of more effective programs.

Restrictions that discourage welfare recipients from participating in education and training as their work activity should be liberalized. Welfare programs should enable mothers to continue with their schooling past high school, and to enroll in other training and education programs to advance their careers.

Welfare programs should provide sufficient supports to allow single mothers greater flexibility concerning part-time work schedules, and should stop the clock on time-limited benefits while parents are working either full or part time.

Welfare programs should develop better strategies for identifying and addressing the problems of families with serious barriers to employment and healthy family functioning. Options that include integrating services with mental health systems and developmental disabilities systems should be explored.

Programs serving low-income families should remove any marriage penalties, and should provide services and benefits for fathers without reducing services and benefits for mothers.

States should increase noncustodial parents' ability to pay child support by replicating successful programs that help them, along with custodial parents, find employment and increase earnings. Also, to increase the incentives for paying child support, policies should be adopted to ensure that children benefit financially when payments are made, even if their families receive welfare.

Further efforts are needed at the federal, state, and local levels to expand child care subsidy programs for working poor families, and to strengthen the supply of high-quality child care and after-school options in low-income neighborhoods. Age-appropriate services are needed for all age groups, from infants to teens.
The 1996 Welfare Law: Key Elements and Reauthorization Issues Affecting Children
Mark H. Greenberg, Jodie Levin-Epstein, Rutledge Q. Hutson, Theodora J. Ooms, Rachel Schumacher, Vicki Turetsky, and David M. Engstrom

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 changed the social policy landscape for children in many ways. This article describes the key themes dominating the debate in 1996, including increased state discretion, more stringent work requirements and time limits, stronger child support enforcement, new requirements for teen parents seeking welfare, and an increased emphasis on reducing out-of-wedlock births. The authors conclude with the hope that, unlike in 1996, improving child outcomes and child well-being will emerge as a key theme when the law is reauthorized in 2002.

Reforms and Child Development
Aletha C. Huston

Welfare programs play an important role in providing benefits to children. Yet unlike programs directly targeted to children, welfare programs are designed to produce economic and employment impacts on adults. This article provides a framework for understanding and assessing the impact of welfare and income support programs on children’s healthy development through the influences these programs have on children’s environments at home and in the community. The author observes that children’s environments are probably affected, but not necessarily in positive ways that lead to increased child well-being.

Experimental Studies of Welfare Reform and Children
Martha J. Zaslow, Kristin A. Moore, Jennifer L. Brooks, Pamela A. Morris, Kathryn Tout, Zakia A. Redd, and Carol A. Emig

Even prior to federal welfare reform, many demonstration programs anticipated key features of the 1996 law, such as “work first” strategies and time limits. This article provides a synthesis of findings from the first seven experimental evaluations of these programs to release results concerning the impacts on children. Overall, neither widespread harm nor benefit to children was found, yet some significant impacts did occur. Favorable impacts tended to occur for school-age children, especially with respect to academic outcomes in programs that increased maternal education. Unfavorable impacts tended to occur when families experienced less economic progress, when the children were adolescents, or when families were new to welfare.

Welfare Reform and Child Care Options for Low-Income Families
Bruce Fuller, Sharon L. Kagan, Gretchen L. Caspary, and Christiane A. Gauthier

Society has a stake in families’ child care choices, both because child care enables parents to work and because it can influence children’s development. This article assesses the research concerning the role child care can play in promoting children’s development and life opportunities, and the efforts to increase high-quality child care options in low-income neighborhoods. Total federal and state funding of child care for welfare and working poor families has increased dramatically since welfare reform, but usage of subsidies varies widely across states and local areas reflecting various barriers to access and a scarcity of quality center-based care.

Family Economic Resources in the Post-Reform Era
Sheila Rafferty Zedlewski

Aided by the longest economic expansion in U.S. history and other policy changes designed to make work pay, federal welfare reform legislation spurred mothers to leave welfare at an unprecedented rate. This article provides a discussion of the relationship between economic resources and child well-being and how family economic resources have changed under welfare reform. Although overall poverty has declined, a significant segment of families are worse off—in part because after leaving welfare, many families do not receive other government supports designed to help them.
Welfare Reform, Fertility, and Father Involvement
Sara S. McLanahan and Marcia J. Carlson

Recognizing that most poor families are single-parent families, the federal welfare reform law of 1996 emphasized the responsibility of both parents to support their children. In addition to strengthening the child support enforcement system, the law included several provisions designed to decrease childbearing outside of marriage and to promote two-parent families. This article examines the important role that fathers play in children’s lives, how public policies have affected childbearing and father involvement, and the need for better programs to increase fathers’ financial and emotional support of children in low-income families.

Welfare Reform and Parenting: Reasonable Expectations
P. Lindsay Chase-Lansdale and Laura D. Pittman

Although the primary goals of federal welfare reform legislation were to move welfare mothers into the workforce and reduce births outside of marriage, promotion of responsible parenting was also an important underlying theme. This article assesses the research concerning the impact of welfare reform on various dimensions of parenting. Few dramatic impacts were found, and the authors caution it may be unreasonable to expect major changes in parenting as a result of welfare reform when the primary goal is to promote employment, not parenting. Yet, research suggests that the most effective way states’ welfare reform programs can promote better parenting may be through better work supports.

Five Commentaries: Looking to the Future

In this section, experts representing various disciplines and backgrounds respond to the question: “How can supports and services for low-income families be improved under welfare reform to help ensure positive outcomes for children?”

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