Welfare reform is a huge success – work is up, caseloads have been cut in half, and child poverty is down – exactly the opposite of what opponents predicted. The House has acted to strengthen reforms; the Senate – typically – has not.

The 1996 welfare reform law has been a huge success in promoting work.
- The share of recipients who work tripled between 1996 and 2000. (HHS)
- The work rate for all never-married mothers rose 40% between 1995 and 2000. (Census)
- Wages for single mothers are up nearly 30% since 1993, and for single mothers at the bottom of the wage scale, the increases were especially dramatic. (Urban Institute)
- The poorest 40% of single mother families increased their annual earnings by about $2,300 per family on average between 1995 and 1999, after adjusting for inflation. (CRS)

Caseload declines resulted from millions of families leaving or never going on welfare.
- Welfare caseloads fell 60% nationwide, to their lowest levels since 1965. Welfare rolls dropped by nearly 3 million families and 9 million recipients since 1994. (HHS)
- This change is unprecedented in American history. Good economic times alone can’t explain the decline – in the 1980s expansion, welfare caseloads actually grew 12%.
- National caseloads continued to fall during 2001 even as the economy was in recession.

Significantly, child poverty fell as welfare has been reformed.
- Opponents predicted 1 million children would be cast into poverty. (Urban Institute)
- In contrast nearly 3 million children have been lifted out of poverty since 1996. (Census)
- Overall child poverty rates are at their lowest since the 1970s. Poverty rates for black children and children living with single mothers are at record lows. (Census)

Welfare success has been fueled by a generous system of work supports for needy families
- Job training, education, Medicaid, and Earned Income Credits support work over welfare.
- Fixed welfare and growing child care funds despite caseload declines meant Federal cash/child care support per family on welfare more than doubled to over $8,000 per year.
- Means-tested benefits totaled $400 billion in 2000, vs. $200 billion in 1990. (Green Book)

There is still a lot more work to do.
- Despite gains, most welfare recipients still do not work or prepare for work. (HHS)
- Too many families break up or never form – 1 in 3 births is out-of-wedlock, including 7 in 10 births to black mothers. (CDC)
- Key features of the 1996 law need to be reauthorized by September 30, 2002.

The House acted to continue and strengthen reform. The Senate – typically – has not.
- The House passed legislation (H.R. 4737) in May to extend and strengthen welfare reform.
- The full Senate has not acted. The Finance Committee approved a bill in June. But it guts work requirements and time limits, does nothing to promote healthy marriages, and busts the budget, increasing spending at least $9 billion above the House level over 5 years.