

Today, when the President signs the *Deficit Reduction Act*, in addition to enacting a plan to save the government approximately \$40 billion over five years, he will also put into effect the next critical stage of welfare reform.

The welfare reforms enacted in 1996 have been successful in promoting work, lifting families and children out of poverty, and reducing dependence on welfare. Still, two million families remain dependent on the government, and more than half of the parents on welfare miss the opportunity to work or receive job training. That's why for the past four years, Congress has tried to pass changes to help more welfare recipients receive the benefit of work, and otherwise strengthen families. Now, with the President signing the *Deficit Reduction Act*, those reforms are set to take effect.

Like the 1996 reforms, the next stage of welfare reform is focused on helping more parents on welfare go to work. Welfare reform opponents in 1996 said reform was impossible to implement, and that states would need billions more in federal tax dollars. However, the 1996 reforms have been a success. Most states have surpassed expectations by meeting federal goals, and still have billions of dollars in welfare surpluses at their disposal.

A key goal in this stage of reform: Ensure at least half of the parents on welfare work or train at least part time each week. Hardly impossible, despite what opponents say.

Not surprisingly, opponents have alleged that any changes amount to "deep cuts" in welfare programs. Like the opposition rhetoric in 1996, this is not true. Overall, taxpayer support per family on welfare has increased from about \$7,000 in 1996 to about \$16,000 today. That's because federal welfare and child care funding has grown even though fewer families depend on welfare. This leaves more funds available to help those recipients that still need to receive the benefit of work.

The next stage of reform includes another \$1 billion increase in child care, plus stepped up incentives for states to help more families leave or stay off welfare in favor of work. So the amount of taxpayer support per family on welfare promises to continue rising in the years ahead. That's compassion and generosity.

Coupled with new services to promote stronger families and healthy marriages, these changes will help more families leave or stay off welfare, lift themselves out of poverty, and provide their children with a brighter future.