Kansas To Impose Unprecedented Restriction On Welfare Recipients

BY BRYCE COVERT > POSTED ON APRIL 6, 2015 AT 11:08 AM



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The Kansas legislature has sent a bill to Gov. Sam Brownback's (R) desk that <u>limits welfare</u> recipients to withdrawing just \$25 a day from their benefits and enacts a range of other restrictions.

If Brownback signs the law, recipients of the state's Temporary Assistance for Needy Families (TANF) program would only be able to withdraw \$25 a day with their benefits cards from ATMs, which act like debt cards. No other states or the federal government currently limit withdrawals.

While one of the backers of the bill asserted that recipients could take out more at a bank counter, the cards can't be used at counters and many poor people lack access to bank accounts given the need to maintain balances and pay fees. Seventeen million Americans are unbanked, going without formal financial products. Meanwhile, during debate over the bill state Sen. Oletha Faust-Goudeau (D) pointed out that many recipients need to withdraw hundreds of dollars some days in order to be able to pay rent.

The bill bans welfare recipients from using their benefits or withdrawing them at movie theaters, nail salons, pools and spas, liquor stores, jewelry stores, casinos or racing facilities, tattoo and piercing parlors, cruise ships, and other locations.

It also imposes hard caps on how long recipients can get benefits. After 36 months, poor people would hit the lifetime limit and not be able to get any further benefits unless they could prove they had an extraordinary hardship such as sexual assault, in which case they could get 12 additional months. The federal lifetime limit, on the other hand, is five years. It also bans anyone with two felony drug convictions from ever getting welfare and suspends anyone who tests positive for drugs after enacting a drug testing program in 2014 that has $\cos \$40,000$ and only turned up 11 positive tests out of 2,783 applications. State Sen. Michael O'Donnell (R) said he wanted the bill to go "back to the 'T' and making sure this is 'temporary.'"

A spokesperson for the governor said his office hasn't received the bill yet and declined to comment on whether or not he would sign it after reviewing it. He's <u>supported</u> the legislation in the past.

It also solidifies reforms that Brownback made so that they will continue after he leaves office, including a requirement that able-bodied recipients enroll in job training or part-time work after three months in order to keep getting benefits. Kansas has already put in

place <u>reforms</u> that have led to a more than <u>23,000 person</u> reduction in enrollment since Brownback took office in 2011. That's despite a <u>steadily increasing</u> poverty rate in the state. After federal welfare reform was <u>enacted in the 1990s</u>, states were given wide leeway to set up their TANF programs. Given that the amount of money the government gives them has also stayed fixed since about that time, losing <u>28 percent</u> of its value to inflation, states are also incentivized to reduce the rolls in any way they can. Today, just <u>26 percent</u> of eligible poor families receive welfare, down from 72 percent in 1996.

Limiting where recipients can use their benefits has also become a popular reform among states, but when Maine, for example, examined abuse, it found that <u>less than 1 percent</u> of all purchases and ATM withdrawals were made at bars, sports bars, and strip clubs, and there is no way to know what was bought or if money was simply withdrawn. Generally speaking, people on public benefits spend <u>a smaller share of their budgets</u> on things like entertainment and eating out than those who are better off.

Kansas has also reformed its food stamp program by reinstating work requirements at the end of last year, potentially $\underline{\text{kicking } 20,000 \text{ people}}$ off the rolls. $\underline{\text{Other states}}$ have also reinstated the requirements and booted tens of thousands of people from the program.

Some states have tinkered with food stamps in other ways, seeking to limit purchases in a similar fashion to limits on welfare recipients. A bill in Missouri would <u>ban food stamp</u> <u>users</u> from purchasing seafood, steak, chips, soda, cookies, and energy drinks. One in Oregon would <u>ban</u>them from buying junk food. But federal reports have <u>consistently found</u> that people on food stamps are less likely to eat sugary drinks and salty snacks than people with higher incomes.

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