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Time Running Out: A Portrait of California Families Reaching the CalWORKs 60-Month Time Limit in 2004*Rebecca A. London and Jane G. Mauldon*

In response to the 1996 federal overhaul of the welfare program for poor families with children, the State of California in 1997 created the California Work Opportunity and Responsibility to Kids (CalWORKs) program. CalWORKs seeks to promote employment and self-sufficiency while reducing dependence on cash assistance. Adults receiving CalWORKs benefits are subject to a five-year time limit for cash assistance. In 2002, the Welfare Policy Research Project (WPRP) advisory board commissioned a study to examine the effects of sixty-month welfare time limits in California. This report is the second in a series from this ongoing study.

Background

The CalWORKs program imposes a sixty-month time limit on cash assistance to needy parents. In 2003, the first year that the time limit affected CalWORKs families, the overall CalWORKs caseload remained nearly constant.¹ The first adults to time out of CalWORKs did so in January 2003, which also marks the start of the state-funded Safety Net program that provides reduced cash assistance to children once their parents time out. The Safety Net caseload grew rapidly during its first nine months to 24,415 cases, constituting 7.7 percent of the CalWORKs caseload. Safety Net caseload growth slowed during the subsequent two-year period, from October 2003 to September 2005, and then accelerated in the six-month period ending March 2006. By March 2006, there were 41,860 Safety Net cases, constituting 13.9 percent of the CalWORKs caseload.²

These caseload trends provide the context for this second report from the study,

The Effects of Five-Year Welfare Time Limits in California, commissioned by WPRP.³ In this report, we describe CalWORKs families as they approach the time limit. In order to understand the degree of readiness of the families for this event, we examine findings from a telephone survey we conducted between June 2004 and August 2005. We interviewed 1,797 recipients in six focus counties who were within six months of reaching the sixty-month time limit according to county administrative records. The six counties are Alameda, Los Angeles, Orange, Riverside, Sacramento, and Tulare.⁴ The survey explores the demographic characteristics of the recipients as well as family employment and employment history, barriers to employment, material hardship, and knowledge of the time-limit policy and the amount of time on aid still available to them.

Characteristics of Families Nearing the CalWORKs Time Limit in the Six Focus Counties*Demographics*

Recipients nearing the CalWORKs time limit (that is, within six months of reaching sixty countable CalWORKs months) are diverse in many regards, including race/ethnicity. Administrative data show that about 39 percent of those close to reaching the time limit statewide were Latino, 30 percent were African American, and 21 percent were English-speaking whites, with many other groups making up the remaining 10 percent. In the six focus counties, recipients close to reaching the time limit were even more diverse. Among survey respondents in the average focus county, about 31 percent were Latino (one-third of whom



were Spanish-speaking), 29 percent were African American, 18 percent were English-speaking whites, 7 percent were Vietnamese-speaking, 1 percent were English-speaking Asians, 8 percent were “other” ethnicities and English-speaking, and 6 percent were “other” ethnicities and non-English-speaking (Exhibit E.S.1).

In the average focus county, 26 percent of those close to the time limit were married, and an additional 9 percent were cohabiting with a partner. Nearly half

survey half (51 percent) of employed single parents worked at least thirty-one hours a week, while two-thirds (64 percent) of employed two-adult families registered at least sixty-one hours of employment a week between them.⁵ Among single parents, Vietnamese speakers and African Americans most frequently reported employment, while among two-parent families, Asians who spoke Vietnamese or English had the highest rates of employment.

Exhibit E.S.1
Race/Ethnicity of Surveyed Sample

	Alameda	L.A.	Orange	Riverside	Sacramento	Tulare	Total
Race/Ethnicity and Language ***							
White, English-Speaking	7.8	6.3	18.1	24.2	22.0	29.4	18.0
African American, English-Speaking	56.4	39.5	10.1	25.0	36.4	6.8	29.0
Latino, English-Speaking	6.3	17.9	22.0	30.8	11.4	37.1	20.9
Latino, Spanish-Speaking	3.3	17.6	14.3	7.1	1.4	16.4	10.0
Asian, English-Speaking	1.3	1.8	0.5	0.0	1.7	0.6	1.0
Vietnamese, Vietnamese-Speaking	8.4	3.1	26.9	1.5	2.6	0.0	7.1
Other Race/Ethnicity, English-Speaking	9.1	5.6	6.3	8.9	12.0	6.5	8.1
Any Race/Ethnicity Except Latino and Vietnamese, Non-English-Speaking	7.3	8.3	1.8	2.6	12.5	3.3	6.0
<i>Sample Size</i>	<i>283</i>	<i>438</i>	<i>190</i>	<i>172</i>	<i>449</i>	<i>265</i>	<i>1,797</i>

Notes:

- (1) The county-specific columns are weighted to reflect the characteristics of those approaching the time limit in each county. However, the Total column is a simple average of all preceding columns. It is weighted to give equal importance to small and large counties, and not to reflect the population variations across counties.
- (2) Totals may not equal 100 because of rounding.
- (3) Statistically significant differences across counties are shown as follows: ***p<.01 **p<.05 *p<.10.

the families (46 percent) had three or more children; among Latino respondents, 59 percent had three or more. In the six focus counties, 56 percent of families with adults nearing the time limit included a child age five or younger.

Individual and Spouse/Partner Employment

Roughly half of the survey sample was employed at the time of the survey: 47 percent of single parents were working, and 55 percent of two-parent households had at least one parent employed. At the time of the survey or within the prior twelve months, 69 percent of single parents were employed, and 82 percent of two-adult families had at least one adult employed. Furthermore, at the time of the

We also examined data from Unemployment Insurance (UI) wage records to describe respondents’ work histories between 1999 and 2004, a five-year period over which most of the recipients presumably were receiving welfare continuously, or nearly so. During this period, 26 percent of single parents and 32 percent of two-parent families had earnings in at least thirteen quarters of the twenty quarters examined.

Although many of the CalWORKs recipients nearing the time limit were working, their jobs typically did not provide basic benefits. For example, only 11 percent of jobs held by single working adults in the sample provided sick leave, and only 15 percent offered health insurance. Among two-

parent families with at least one employed adult, 16 percent of couples had at least one job that offered sick leave, and 19 percent had at least one job that offered vacation leave.

Although the work effort of many CalWORKs recipients is substantial, another large portion of the caseload has had no formal labor market experience for many years. People in the latter group will probably find it difficult to obtain and maintain employment once they reach the time limit. Thirty-one percent of single-parent respondents reported no employment in the past year, and 19 percent of two-parent households had no working adult in the same time period. More than one-fifth of the sample (21 percent of single-parent families and 24 percent of two-parent families) had no UI-covered employment in the preceding five years.⁶ Only 3 percent of adults in single-parent families and 5 percent of adults in two-parent families worked in UI-covered employment in all twenty quarters.

Barriers to Employment⁷

We asked adults in the families close to reaching the time limit about seven potential barriers to employment: depression, anxiety, a stressful event (possibly signaling post-traumatic stress syndrome), alcohol use, drug use, domestic violence, and health conditions that limit work.

Exhibit E.S.2 Incidence of Barriers to Employment Reported by Adult Respondents	
Barrier to Employment	Percent of Respondents in Average Focus County
Barriers that interfere with work, home or school	
Depression	21.4
Anxiety	20.8
Stressful Event	23.4
Alcohol	2.1
Drugs	2.6
Domestic violence by spouse/partner in past year	10.8
Limiting illness or disability	30.5
Total number barriers (of 7)	
0	49.1
1	22.5
2 or more	28.4
Sample Size	1,639

Exhibit E.S.2 shows employment barriers reported by the respondents. Over one-fifth of the sample reported symptoms associated with depression (21 percent), anxiety (21 percent), or a recent stressful event (23 percent) that, currently or in the past year, interfered with their ability to work, care for children, or attend school. As in many other surveys, few respondents reported that drugs or alcohol interfered with their work, school, or home life (about 2 to 3 percent each, rates that likely underreport the true prevalence). A total of 11 percent of respondents reported domestic violence in the past year (44 percent reported experiencing domestic violence at some point in the past—not shown). Finally, almost a third of respondents (31 percent) reported health conditions that impeded their ability to work. In addition, 6 percent had a spouse with a limiting health condition and 28 percent had a child with an illness or other health condition that limited daily activities (not shown). In sum, 51 percent of survey respondents reported having at least one barrier that interfered with their ability to complete tasks at work, school, or home, and 28 percent reported having two or more barriers.

Apart from health and mental health-related problems, other factors are also likely to be associated with difficulties in getting and keeping jobs and becoming self-sufficient. For example, 40 percent of the sample had not completed high school and another 36 percent had no education past high school. Among foreign-language-speakers, 25 percent had not completed even eight years of schooling in their native countries.

Material Hardship

Not surprisingly, the very low-income families who received CalWORKs and reached the time limit reported substantial material hardship. Overall, 43 percent reported having problems paying their rent and 20 percent reported sharing housing with family or friends in order to save money. Over half of all respondents (54 percent) reported problems paying their utility bills, and 39 percent reported having problems affording food. Forty percent reported using a food bank and 10 percent obtained meals from a soup kitchen. Most families we interviewed were categorically eligible for Medi-Cal, but 15

percent of respondents indicated that, at some point in the past year, a family member failed to get medical care when needed, although most (72 percent) eventually obtained this care.

Results differed markedly by race/ethnic group. Vietnamese-speaking respondents reported far fewer material hardships than most other groups. There may be differences in culture or translation that affected how these Vietnamese-speaking respondents answered these questions.

CalWORKs Recipients' Knowledge of Time-Limit Policy

Because cash aid is now time-limited, it is all the more important that county officials provide recipients with accurate information about how time-limit policies will affect them. For example, it is imperative that adult recipients understand how much time on aid remains to them, whether they might qualify for exemptions or extensions, and what services, if any, they can receive after reaching the sixty-month time limit. Only with this knowledge can they make informed decisions about their futures.

Although not all respondents close to reaching the time limit in the six focus counties could identify every aspect of the policy, most understood the fundamentals. For example, 89 percent of respondents were aware that CalWORKs has a time limit. Of these respondents, 88 percent reported that this limit applies to parents, although just 53 percent understood that the time limit does not apply to children. More than three fifths (61 percent) of respondents who knew there is a time limit correctly identified sixty months as the lifetime limit on aid, and an even higher proportion (70 percent) knew that parents' earnings affect the grant after they reach the limit.

There are, however, important gaps in respondents' knowledge. First, although understanding of the CalWORKs time-limit policy appears to be high among survey respondents in general, there are groups for whom this is not true. In particular, foreign-language-speakers (especially those who speak languages other than Spanish or Vietnamese),

immigrants, and those who had not completed high school had significantly lower scores on indices that measure understanding of the time limit, net of other factors. Many respondents (43 percent) did not know how many months of CalWORKs cash aid remained available to them. Among those who felt they knew the number of their remaining months of aid, 19 percent overestimated this amount by at least four months. These are surprisingly high percentages for a group that was within six months of timing out.

Second, few respondents understood the criteria governing exemptions and extensions. When found to be exempt, an adult recipient is not subject to the sixty-month limit on cash assistance. An adult who qualifies for an extension is permitted to receive cash aid past sixty months. The CalWORKs time limit policy is complex: there are twelve grounds for exempting an adult from the time limit, and six reasons a recipient might see his or her time on aid extended past sixty months.⁸ Overall, only 31 percent of respondents agreed that there were any reasons that might allow a CalWORKs recipient to continue receiving aid after reaching the time limit.

The people who possessed the characteristics that would make them eligible for exemptions or extensions (whether or not the exemption or extension had been granted) were somewhat more knowledgeable about these criteria than those without these conditions. For example, of the 523 people who reported being sick or disabled, one-third knew that such circumstances might allow recipients to receive CalWORKs benefits beyond the time limit. By contrast, only 19 percent of the 1,274 respondents who did not report being sick or disabled understood this to be the case. Of the 169 who reported having experienced domestic violence, nearly 21 percent knew that such a situation might qualify recipients for time on aid past sixty months, compared to 14 percent of the 1,628 respondents who did not report domestic violence.

Finally, respondents were not uniformly knowledgeable about the services for which they retain eligibility after reaching the sixty-month time limit. Forty-six percent or more did not know that they could remain eligible for food stamps,

housing, and child-care assistance (assuming in each instance that the household meets pertinent income and assets tests). Respondents were more knowledgeable about the post-program services for which their children would retain eligibility.

Key Findings

Following is a summary of the five key findings that emerged from analysis of recipients' responses to the first-wave survey.

1. The CalWORKs population nearing the sixty-month time limit is ethnically and linguistically diverse.

Nearly all of the analyses demonstrated that to understand the CalWORKs caseload nearing the time limit, one must consider its ethnic diversity. County variation in respondent and programmatic outcomes is shaped by tremendous variation across counties in the ethnicity of CalWORKs recipients and languages spoken by them. This diversity is important for a variety of reasons. Serving a population that speaks many different languages is a challenge for county offices, which strive to offer verbal and written communication in the native languages of their non-English-speaking recipients. Beyond the practical concern of communicating effectively, cultural factors influence key aspects of CalWORKs recipients' attitudes toward work, their family size and relationships and, consequently, their grasp of time-limit policies and their response to them.

2. Recipients close to reaching the time limit focus on employment, but their earnings are low and their job-related benefits are limited.

Policymakers and CalWORKs staff emphasize that, for those who are able to work, employment is crucial to achieving self-sufficiency. CalWORKs recipients in the focus counties also view work as the logical alternative to welfare. When asked about activities they were undertaking as they neared the time limit, most reported that they were working or engaged in activities to move them toward work. And indeed, of those families still receiving CalWORKs benefits, roughly half were employed

at the time of the survey, an indication that many will be employed once they reach the sixty-month time limit.⁹

At the same time, however, the jobs that current or former recipients typically held pay low wages and provide few or no benefits. Most employed recipients nearing the time limit in the six focus counties did not have jobs that offered health insurance (84 percent), sick leave (87 percent), or vacation leave (83 percent). Moreover, the very fact that almost all of these families still qualified for CalWORKs cash aid while employed indicates that they had low earnings, close to or below the poverty level.¹⁰

3. Barriers to employment are pervasive among those approaching the time limit, yet few recipients realized they might qualify for exemptions or extensions.

In the survey we conducted, we asked CalWORKs recipients about conditions that make it difficult to obtain or keep a job, attend school, or care for children. We found these so-called barriers to employment to be pervasive among those nearing the time limit. Adult recipients experiencing such chronic problems might seek to qualify for a time-limit exemption or extension. However, we found that even recipients who reported domestic violence, ongoing health problems, or other qualifying problems were usually unaware that their conditions might warrant an exemption or extension. Without such knowledge, recipients cannot make informed decisions about their futures on and off CalWORKs.

4. More than half of the CalWORKs families nearing the time limit have very young children.

Much of the national discussion of welfare reform has focused on adults' characteristics. However, in California, the characteristics of the children whose parents are nearing the time limit are very important because some, perhaps many, of these children will enter the state-funded Safety Net program. More than half of the CalWORKs families nearing the time limit in the six focus counties had a preschool-age child or one who had just entered kindergarten.

These very young children could remain in the Safety Net program for thirteen or more years if their parents do not earn enough to make their children ineligible for aid.

5. There is wide variation in recipients' understanding of time-limit policies, but understanding improves when counties employ frequent communication in various forms.

Survey respondents' knowledge about various aspects of the time-limit policy varied tremendously. Language, immigrant status, and education level proved particularly important in predicting which CalWORKs recipients best understood the rules. The form and frequency of communication from the welfare office were also of critical importance. Respondents who reported both having conversations with county staff and receiving letters and brochures better understood time-limit policies.

Respondents who remembered receiving such communication were more knowledgeable about relevant policies. This finding suggests that frequent and varied types of communication from the county were key to promoting understanding. Given recipients' diverse language needs and limited formal education, it is crucial that counties develop easily understood materials in a multitude of languages, and that they communicate this information regularly to recipients.

(Endnotes)

¹ These caseload calculations include Safety Net cases, but exclude child-only cases, which are not subject to the time limit.

² Authors' calculations from the CA 237 CW, available at http://www.dss.cahwnet.gov/research/CA237CW-Ca_389.htm.

³ The first report is available at WPRP's website: <http://wprp.ucop.edu/researchpublications2.asp>. Crow, Sarah E. and Jacquelyn Anderson. 2006. *Working Against the Clock: The Implementation of Welfare Time Limits in California*.

⁴ The entire survey was fielded in English, Spanish, and Vietnamese. A shorter version was offered through simultaneous translation to respondents speaking any other language.

⁵ Despite the significant numbers of adult recipients who were working at the time of the survey, it is likely that California will find it difficult to meet the recently revised TANF work-participation rate requirements. For a discussion, see the analysis from the Legislative Analyst's Office, Analysis of the 2006-2007 Budget Bill, Health and Human Services Chapter, pp. C-188 through C-196.

⁶ It is true that some of the adults with no UI-reported employment may have worked off the books or in one of the (few) sectors not captured by the UI wage records, but even so, the UI system captures most employment.

⁷ For a related WPRP-commissioned study on barriers to employment, see Norris, Jean and Richard Speigman. 2005. *Assessing Barriers to Work Among CalWORKs Participants in San Joaquin County: Final Report*. This report is available at WPRP's website: <http://wprp.ucop.edu/researchpublications2.asp>.

⁸ Of the twelve reasons cited, ten are called exemptions by CalWORKs and two have the same effect but are not termed "exemptions."

⁹ See the Legislative Analyst's Office, Analysis of the 2006-2007 Budget Bill, Health and Human Services Chapter, pp. C-188 through C-196.

¹⁰ Eighty-nine percent of survey respondents reported receiving CalWORKs cash aid in the month preceding the interview.