

Are There Jobs For Those Who Face Time Limits?

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Federal welfare reform, the Personal Responsibility and Work Opportunity Reconciliation Act, imposes a sixty month lifetime limit on assistance for adults in families using federal Temporary Assistance for Needy Families funds. The welfare law also requires states to transition a significant and increasing fraction of their welfare caseload into the workforce. Governor Wilson's welfare reform proposal, presented as part of his proposed 1997-98 budget, limits current recipients to 24 months of assistance out of 36 consecutive months and new applicants to 12 months of assistance out of 24 consecutive months. Federal law allows states to exempt up to 20% of the caseload from time limits. The Governor's proposal exempts cases with a non-needy relative caretaker, aged caretakers, and families with a disabled parent or child.

In light of the centrality of increasing labor force participation to welfare reform, it is important to ask whether there are jobs for those who will be required to work under the new law. The availability of jobs for those leaving welfare to work depends on the health of the state's economy, as well as competition from the unemployed and those leaving school for work. Moreover, while some parts of the state are experiencing significant job growth, opportunities are scarce or even declining in other parts of the state. Both the new federal law and the Governor's proposal assume that jobs will be available for those who are threatened with the loss of assistance.

How The Estimates Were Made

In an effort to examine the impact of welfare reform at the local level, the table on the reverse compares the number of families potentially affected by welfare reform to employment growth and unemployment figures at the county level. This analysis assumes that the distribution of families by length of time on assistance, disability, and presence of a non-needy caretaker relative is the same throughout the state, an assumption made necessary by the lack of comprehensive data detailing the length of time families have received assistance and other caseload characteristics at the county level. The remaining information is actual county data.

- **Total AFDC Cases:** This column includes the actual number of AFDC cases, both Family Group (FG) and Unemployed Parent (U) by county in September 1996.
- **Cases That Would Lose Assistance:** This column estimates the number of cases that would lose assistance under a two year time limit. Currently, 58.2% of cases statewide have received assistance for more than two years. This percentage was applied to Column 1 to calculate the number of cases that would lose assistance after two years. Exempt cases also were subtracted from Column 1. The number of potentially exempt cases are based on the statewide percentages of cases with a disabled parent or child (9.6%) and cases with a non-needy caretaker relative (5.6%).
- **Change in Employment 1995 to 1996:** This column is the actual net growth in employment, by county, as reported by the Employment Development Department.
- **Projected Annual Job Growth 1992/93 to 2005:** This column shows the annual average number of jobs that each county is expected to add between 1992 or 1993 and 2005.
- **1996 Annual Average Unemployment:** Average number of unemployed persons in any given month in 1996. There may be overlap between those counted in unemployment statistics and those receiving AFDC. This number does not account for the underemployed (those who are working, but would like to work more hours) or persons who are no longer trying to find work.

Estimating Cases That Would Lose Assistance With Two Year Time Limits

	Total AFDC Cases ^a Sept. 1996	Cases That Would Lose Assistance ^b	Change In Employment 1995 to 1996 ^c	Projected Annual Job Growth 1992/93 to 2005 ^c	1996 Annual Average Unemployed Persons
TOTAL	905,352	389,330	176,940	262,709	1,125,180
County					
Alameda	34,618	14,887	9,900	12,550	34,300
Alpine	41	18	20	92	50
Amador	398	171	30	292	890
Butte	7,534	3,240	-900	1,598	7,500
Calaveras	880	378	-70	242	1,310
Colusa	384	165	-170	138	1,710
Contra Costa	16,317	7,017	6,600	6,312	22,800
Del Norte	1,201	516	-10	108	1,050
El Dorado	2,133	917	1,700	1,100	4,700
Fresno	36,711	15,787	-4,500	4,072	49,100
Glenn	769	331	-340	215	1,730
Humboldt	4,024	1,730	0	870	4,600
Imperial	6,706	2,884	900	782	17,200
Inyo	485	209	140	94	620
Kern	25,932	11,152	8,100	3,799	35,800
Kings	4,116	1,770	-1,720	445	5,650
Lake	2,547	1,095	140	315	2,750
Lassen	910	391	680	317	1,270
Los Angeles	306,220	131,684	13,400	66,287	354,100
Madera	4,354	1,872	-600	469	7,350
Marin	1,722	741	800	2,923	4,400
Mariposa	385	166	470	158	670
Mendocino	2,987	1,285	220	692	3,620
Merced	10,153	4,366	-2,400	738	13,500
Modoc	485	209	-300	25	500
Mono	111	48	-70	50	650
Monterey	8,032	3,454	5,500	2,783	20,000
Napa	1,553	668	300	1,975	3,500
Nevada	1,190	512	120	583	2,790
Orange	38,297	16,469	28,600	32,155	55,700
Placer	2,959	1,272	2,300	3,875	5,700
Plumas	521	224	360	108	1,210
Riverside	38,684	16,635	12,900	10,287	51,100
Sacramento	46,627	20,051	12,500	13,628	33,400
San Benito	996	428	130	267	2,920
San Bernardino	64,799	27,866	14,800	11,413	50,500
San Diego	64,268	27,637	16,100	17,888	66,200
San Francisco	11,737	5,047	2,200	3,940	19,100
San Joaquin	22,769	9,791	2,200	3,159	27,300
San Luis Obispo	3,517	1,512	3,000	1,558	5,800
San Mateo	5,859	2,520	2,100	5,728	12,800
Santa Barbara	7,405	3,184	600	1,463	11,100
Santa Clara	27,265	11,725	33,100	16,912	32,600
Santa Cruz	3,587	1,543	3,300	2,979	11,800
Shasta	6,925	2,978	-500	909	7,200
Sierra	55	24	-10	33	190
Siskiyou	1,661	714	-660	133	2,550
Solano	9,000	3,870	900	1,960	13,400
Sonoma	6,557	2,820	3,300	3,930	10,300
Stanislaus	15,413	6,628	900	5,349	27,900
Sutter	1,937	833	-300	292	5,500
Tehama	1,997	859	-520	517	2,450
Trinity	410	176	-390	33	750
Tulare	19,795	8,512	-1,700	1,986	25,800
Tuolumne	1,261	542	-510	375	2,000
Ventura	10,535	4,530	3,500	9,852	27,300
Yolo	4,272	1,837	1,000	1,710	5,500
Yuba	3,346	1,439	-200	246	3,000

^a CA Department of Social Services, *AFDC FGU Cash Grant Caseload Movement & Expenditure Report*, September 1996.

^b CBP calculations based on CA DSS *AFDC Characteristics Survey*, October 1995 (Time on aid is since most recent case opening).

^c Employment Development Department, Labor Market Information Division. Historical Labor Force Data, *Civilian Labor Force, Employment, and Unemployment—Updated January 24, 1997*; state total is sum of counties. Projected job growth from *Employment by Occupation, 1992/1993 Annual Average and 2005 Projected Employment, Total/Nonfarm for Counties*. Reflects annual average over 12 or 13 year period (1992-05 or 1993-05); state total is sum of counties. NOTE: Assumes constant caseload across time and geography, which we know to be untrue. Uses state percentages to calculate county information. Individual counties' share of exemptions will vary. Actual impacts in high unemployment counties may be more severe, while actual impacts in low unemployment areas may be less severe.