

# **Creating an Effective Work-Based Safety Net: What We've Learned**

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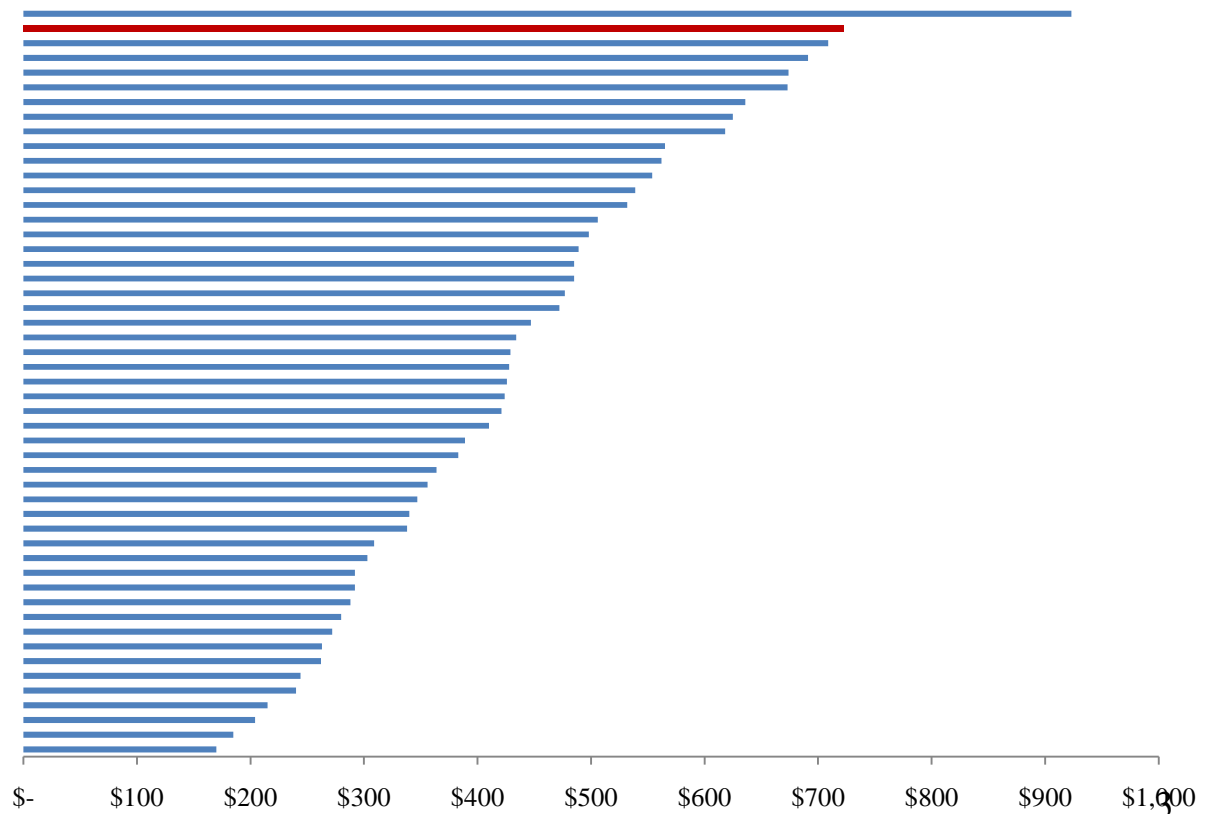
# Roadmap for Presentation

- Putting CalWORKS into a National Context
- What We Know and Don't Know About Effective Welfare-to-Work Strategies
- Obstacles to Overcome to Achieve Meaningful Reform

# Putting CalWORKS Into Context: Benefit Levels (1)

**TANF Benefit Levels (Single-Parent Family of Three)**

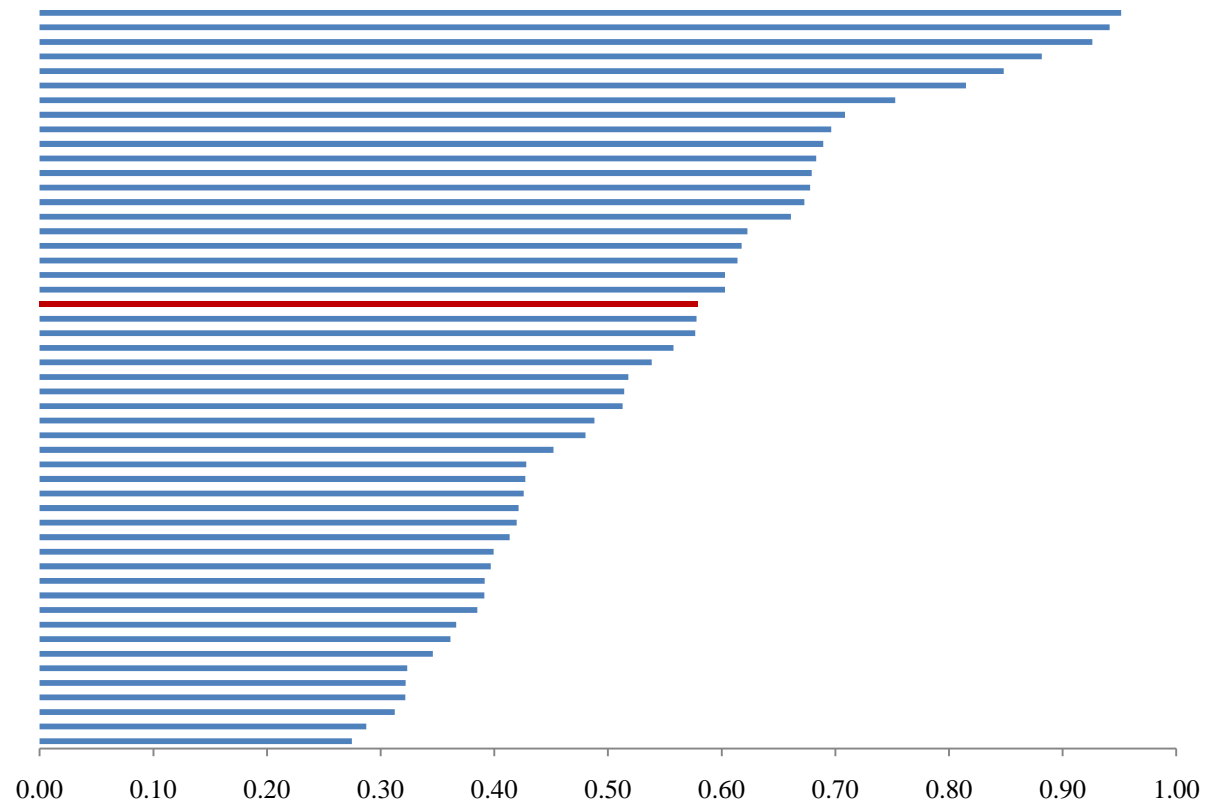
California's  
benefit levels  
are the second  
highest in the  
country,  
but ...



# Putting CalWORKS Into Context: Benefit Levels (2)

When considered in relationship to state Fair Market Rents (FMR), in 2008, CA's TANF benefit was *lower* than 20 states

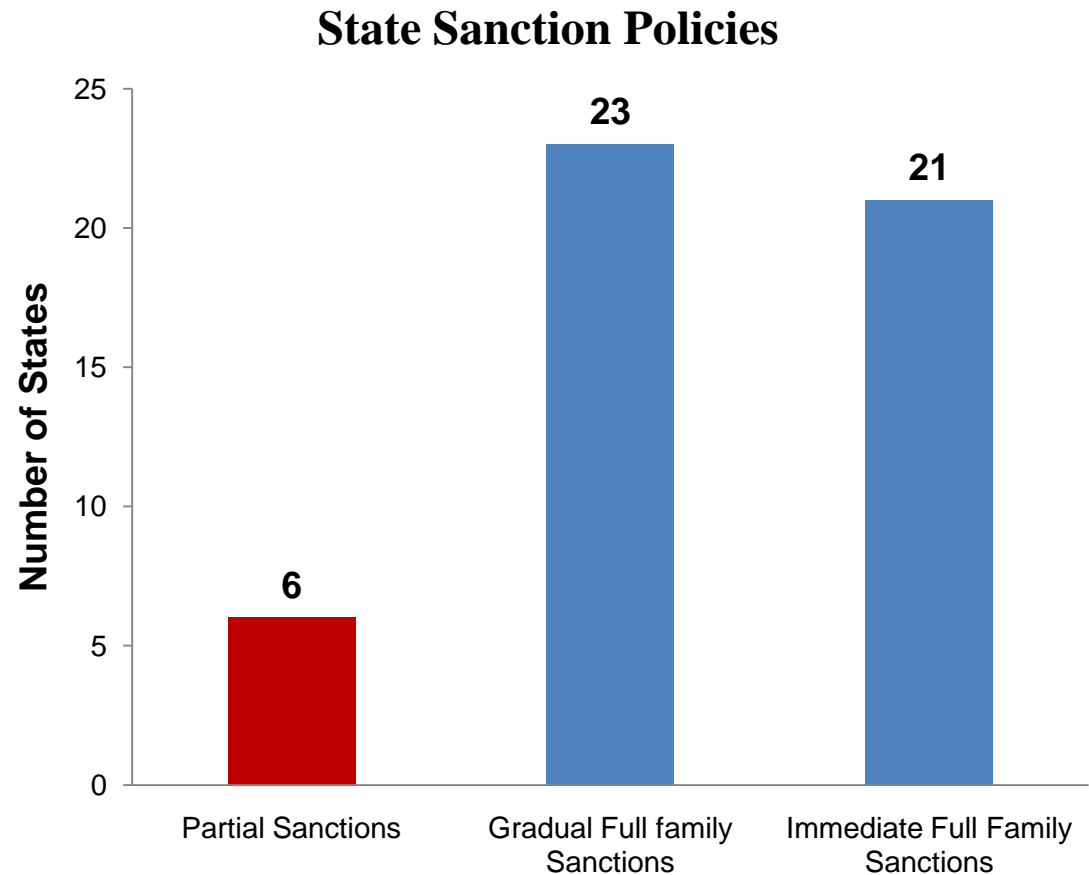
Ratio of TANF Benefit Level to FMR



# Putting CalWORKS Into Context

## Sanctions (1)

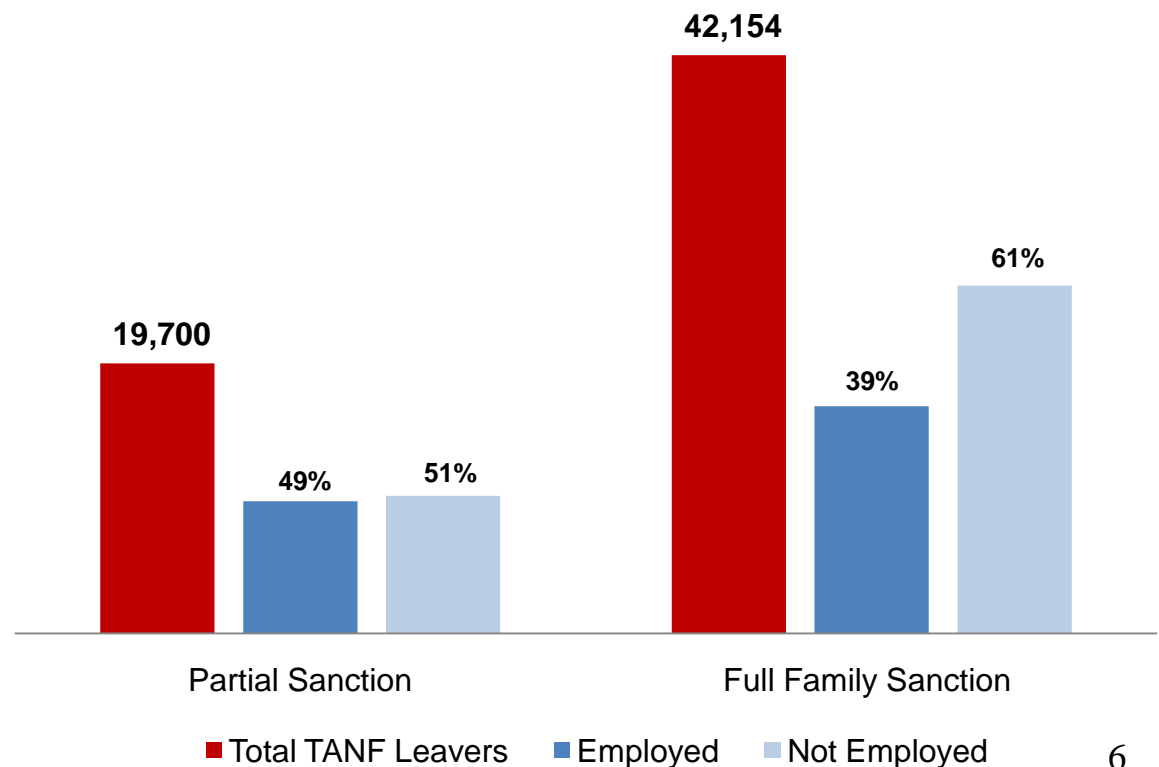
CA is one of six states (including DC) that impose a partial sanction for non-compliance



# Putting CalWORKS Into Context: Sanctions (2)

Imposition of full family sanctions results in large numbers of recipients leaving TANF, most of them without employment

**Employment Status Among TANF Leavers in Texas Under Partial and Full Family Sanction Policies**



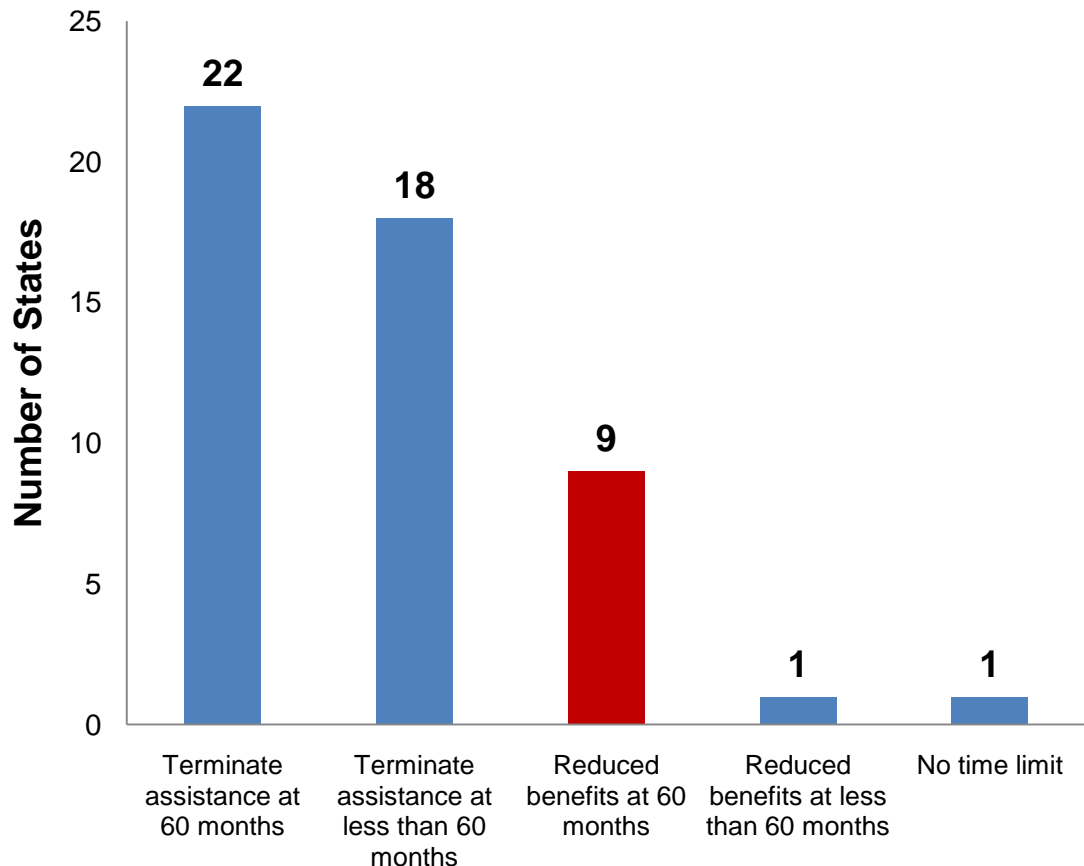
# Putting CalWORKS into Context: Sanctions (3)

- Key Findings About Sanctioned Families:
  - Employment rates and earnings are lower
  - More likely to have personal characteristics, human capital deficits, transportation barriers or personal or family challenges that make them harder-to-employ
  - More likely to experience material hardships
  - Poorly informed about program requirements and consequences for noncompliance

# Putting CalWORKS Into Context: Time Limits (1)

CA is one of nine states that provides reduced benefits (rather than termination) after 60 months

**State Time Limit Policies**



# Putting CalWORKS into Context: Time Limits (2)

- Key Research Findings About Time Limits:
  - Number and characteristics of families reaching time limits highly dependent on policy context (e.g., sanction policy; benefit levels; earned income disregards)
  - Many families that reach the time limit are struggling and worse off than when on assistance
  - Two different groups mainly affected
    - Working families with low incomes
    - Families experiencing significant personal and family challenges

# What We Know About Effective Welfare-to-Work Programs

- Most effective welfare-to-work programs:
  - Require recipients to participate in employment-related activities
  - Provide a mix of job search assistance and short-term education and training
  - Use financial incentives to supplement low-paying jobs
  - Biggest impacts often for more disadvantaged

# Significant Knowledge Gaps

- Best design for a work first program (e.g., how long, how much classroom instruction, balance of job readiness vs. job search skill-building)
- How to promote stable employment and wage progression among former welfare recipients and low-wage workers
- How to promote employment for the “hard to employ”
- How to reach families who are disconnected

# Obstacles In the Way of Progress

- **Misinformation:** Welfare today is NOT welfare as it was in 1996
- **Ideology:** Continued emphasis on obligation, not outcomes; belief that we are doing more than we can afford to address poverty
- **Weak up-to-date knowledge base:** Limited research available to answer questions on the characteristics and experiences of the current caseload
- **Limited financial resources:** In the face of limited (or no) additional funding, are there ways to use existing resources more effectively?
- **Limited “ties that bind”:** Diversity of state approaches and circumstances makes consensus for change hard to come by
- **Who cares?:** Not high priority on many policymakers’ agendas