



Examining the Circumstances of Welfare Leavers and Sanctioned Families in Sonoma County

Final Report

David C. Mancuso
Vanessa L. Lindler

June 29, 2001

Prepared for:

Sonoma County
Human Services Department
1421 Guerneville Road
Santa Rosa, CA 95402

The SPHERE Institute
1415 Rollins Road
Suite 204
Burlingame, CA 94010

The William and Flora Hewlett Foundation
525 Middlefield Road, Suite 200
Menlo Park, CA 94025

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This project was supported by the Sonoma County Human Services Department under contract number S1-2.25.2 and The William and Flora Hewlett Foundation under grant number 99-4397. Data was provided by the California Department of Social Services (CDSS), and was analyzed with the permission of CDSS. The opinions and conclusions expressed herein are solely those of the authors and should not be considered as representing the policy of the Sonoma County Human Services Department, the Hewlett Foundation, or any agency of the California State Government.

EXECUTIVE SUMMARY

In response to federal welfare reform legislation, the California Legislature created the California Work Opportunity and Responsibility to Kids (CalWORKs) program in 1997, with implementation beginning in January 1998. Two of the key features of CalWORKs, relative to the AFDC and GAIN programs that preceded it, are a greater emphasis on helping aid recipients find and maintain employment, and greater county discretion in the design of program services. California counties continue to implement and modify their CalWORKs programs, and it is vital to understand the effects of these innovations in order to further refine programs to better serve low-income families and their communities.

County CalWORKs programs will be judged a success if families previously dependent on welfare become more economically self-sufficient without harming their children's well being. Identifying the best strategies for helping families achieve self-sufficiency depends on an accurate understanding of the circumstances of these families. Furthermore, because a principal goal of CalWORKs is to encourage families to support themselves through work, it is essential that we learn more about the characteristics of CalWORKs recipients who are choosing not to participate in the program activities that are designed to lead to employment and, ultimately, self-sufficiency.

To this end, the Sonoma County Human Services Department and the Hewlett Foundation provided funding to The SPHERE Institute to conduct a study of the well being of families leaving CalWORKs or sanctioned under CalWORKs in Sonoma County.¹ The project was designed to achieve three specific objectives: (1) to assess the circumstances of CalWORKs leavers in order to determine the extent to which they are "making it" or in need of additional assistance; (2) to assess the circumstances of families sanctioned under CalWORKs in order to understand how these families are different from welfare leavers; and (3) to examine the implications of these findings for program design.

¹ The research also used data provided by the California Department of Social Services (CDSS), and was performed with the permission of CDSS. The opinions and conclusions expressed herein are solely those of the authors and should not be considered as representing the policy of the Sonoma County Human Services Department, the William and Flora Hewlett Foundation, or any agency of the California State Government.

This summary highlights the main findings from the study. Detailed findings follow the summary in the form of presentation slides. Throughout the following discussion, the reader is encouraged to refer to specific slides for more detail about particular outcome measures.

METHODOLOGY

Study Populations. This study examined the circumstances of two groups of families in Sonoma County:

- **CalWORKs leavers** – families leaving CalWORKs in the fourth quarter of 1999, and remaining off aid at least two consecutive months; and
- **Sanctioned families** – families receiving CalWORKs with an adult sanctioned each month in the three-month period from December 1999 to February 2000.

It is important to note that in the discussion that follows, we generally use the term “sanctioned” to refer to the entire group of families in the original sanctioned population, not just those families currently under sanction at first or second interview. As we discuss further below, half of the original sanctioned population had corrected their sanction or were off CalWORKs by December 2000.

Survey Data. Our study design included two survey rounds, with data collected approximately 6 and 12 months after exit. Our survey sample included all 336 leaver and 127 sanctioned families in our study populations, except for 18 families whose primary language was not English or Spanish (see slide 6). The survey was not translated into additional languages because of the high cost of translation, relative to the number of additional completed interviews that would have been obtained. We achieved an 80 percent response rate in the first interview period (April 2000 through July 2000), and a 70 percent response rate in the second period (October 2000 through January 2001).² Our survey contained topical modules with questions covering household composition, child well being, child care, education and training, employment, income, food security, health insurance coverage, family well being, and welfare experiences.

² Thus, 88 percent of respondents completing a first interview also completed a second interview.

Administrative Data Sources. We used county Case Data System (CDS) administrative data to identify the study populations, and to measure CalWORKs recidivism by families returning to cash aid within Sonoma County. Extracts from the statewide Medi-Cal Eligibility Data System (MEDS) were used to track receipt of CalWORKs elsewhere in California by families leaving Sonoma county.³ Statewide Unemployment Insurance Base Wage File (UIBWF) data were used to measure employment and earnings.⁴ MEDS, UIBWF, and CDS data were also used to construct weights to adjust survey data for non-response.

KEY FINDINGS

Finding #1: Conditions are improving for Sonoma County CalWORKs leavers. In most outcome areas we found evidence that circumstances improved for leavers from the 6-month to the 12-month interview. Perhaps most significantly, income for the average leaver household increased from 117 percent to 127 percent of the federal poverty level from first to second interview (slide 31). By the time of the second interview, 71 percent of leaver households were above the federal poverty line, up from 63 percent at first interview. On average, earned income represents about 90 percent of total household income at both first and second interview (slide 32).

There were improvements in measures of housing conditions, with fewer leaver respondents reporting substandard housing quality, housing crowding, or housing instability (slides 51-53, respectively).⁵ We did find a slight increase in the average ratio of housing costs to total household income, and in the proportion of households with an excessive rent burden (slides 55 and 56).⁶ However, given that average household income increased over the period more rapidly than housing costs (as measured by HUD fair market rents), and given the improvements observed in the areas of housing quality,

³ CDS and MEDS data were used to measure recidivism in slide 65 only.

⁴ UIBWF data was used to measure employment and earnings only for slides 74 and 75. All other measures of employment and earnings were constructed using survey data.

⁵ We determined the respondent's housing to be substandard if she reported a leaky roof, broken plumbing, or pest infestation. Housing was determined to be crowded if the ratio of tenants to rooms (excluding bathrooms and hallways) was greater than 1. The respondent's housing situation was defined to be unstable if she lived in a homeless shelter, on the street, or temporarily moved in with others because she had no permanent place to stay within the previous 6 months.

⁶ If the respondent's rent is more than 50 percent of household income, the household was determined to face an excessive rent burden. This is a threshold used in federal housing assistance preference rules.

crowding, and stability, the increase in average rent burden may reflect the transition to higher quality (and more expensive) housing.

Respondents were asked a series of questions about a “focal child” selected randomly from among the respondent’s children residing in the household. Based on these questions, we found improvement from first to second interview in several areas. At second interview, fewer respondents reported that their child had been suspended or expelled from school, dropped out of school, been in trouble with the police, used illegal drugs, been involved in illegal activities, gotten pregnant, or gotten someone else pregnant (slide 46). In addition, fewer respondents reported leaving their child home alone unsupervised (slide 45). Finally, at second interview, fewer respondents reported that they had changed their primary child care arrangement in the previous six months (slide 44).⁷

We found small increases in the rates of health insurance coverage for leaver respondents and their children from first to second interview (slides 47 and 49). At second interview, 72 percent of leaver respondents and 79 percent of their children had health insurance coverage. Rates of private health insurance coverage increased from first to second interview, more than offsetting a decrease over the period in the proportion covered by Medi-Cal.

Finally, we found improvement in both the reported rate of substance use by adults in the household, and in the respondent’s own reported rate of illegal drug use (slides 61 and 62).

We did not find substantial improvement in the use of the Earned Income Tax Credit (EITC), awareness of child care subsidies, and take-up of non-assistance Food Stamps. About 43 percent of leaver respondents reported using the EITC at both first and second interview (slide 33). About 27 percent of leaver respondents reported being unaware of the availability of child care subsidies for CalWORKs leavers (slide 43), and more than 40 percent of respondents report that child care was a barrier to full-time employment at both interviews (slide 26). With regard to non-assistance Food Stamps, at both first and second interview we found that two-thirds of households estimated to be

⁷ Stable child care arrangements are important because instability is linked to negative child well being outcomes, and could negatively impact respondents’ employment outcomes.

eligible for Food Stamps were not taking up benefits (slide 36), with an average foregone allotment of about \$120 (slide 38).

Finding #2: Recidivists are more likely than other leavers to report barriers to self-sufficiency. About one in seven of the leaver families we studied were back on CalWORKs 12 months after exit (slide 65). When asked why they reapplied for aid, the most commonly cited reason was job loss (40 percent). Twenty percent reported that they reapplied for aid because they left their partner, and three-fifths of these respondents indicated that the partner had been abusive (slide 66).

Compared to other leavers, recidivists are less likely to have a high school diploma or equivalent, more likely to have at least three children, and less likely to have access to a car they can regularly use for transportation to work (slides 67, 68, and 70). These findings point to greater problems related to job skills, child care, and transportation for recidivists, relative to other leavers.⁸ Recidivists were also much more likely to report engaging in weekly binge drinking⁹ or weekly drug use, and more likely to report being the victim of a physical act of domestic violence (slide 71).

Finding #3: Although they are more likely than leavers to report barriers to self-sufficiency, conditions are improving for families in the sanctioned group.

Because sanctioned respondents are less likely than leaver respondents to have a high school diploma or GED (slide 8), they are more likely to have problems related to lack of job skills. Sanctioned respondents also tend to have more children (slide 9), and are more likely to report that child care is a barrier to full-time employment (slide 26). Sanctioned respondents are less likely to have access to a car (slide 28), and are therefore more likely to report that transportation presents a barrier to full-time employment (slide 27), although we note that there was substantial improvement on these measures from first to second interview. In light of these findings, it is not surprising that sanctioned respondents have much more extensive histories of previous aid receipt (slide 10). In addition, sanction respondents are more likely to report being the victim of a physical act of domestic violence in the previous 6 months (slide 58), and more likely to report symptoms of depression (slide 59). Finally, sanctioned respondents are more likely than

⁸ We note, however, that recidivists were less likely to report that child care presented a problem in obtaining full-time employment at second interview (slide 69).

⁹ Binge drinking is defined as consuming five or more drinks in one sitting.

leavers to report both their own drug use (slide 63) and substance abuse by adults in the household (slide 61), although there was substantial improvement on the household substance abuse measure from first to second interview.

However, despite the fact that a higher proportion of families reported barriers to self-sufficiency relative to leavers, in most outcome areas circumstances improved for sanctioned households from first to second interview. The percentage of sanctioned households with earned income grew substantially over the period (slide 24), and consequently median household income relative to poverty increased from 85 to 100 percent from first to second interview (slide 31).

Awareness of the availability of child care subsidies increased (slide 43), and the percentage of sanctioned respondents reporting that child care was a barrier to full-time employment decreased from first to second interview (slide 26). Similarly, the proportion of sanctioned respondents with access to a car increased (slide 28), and the percentage reporting that transportation was a barrier to full-time employment decreased from first to second interview.

In the child well-being area, we found that sanctioned respondents had more stable primary child care arrangement, reported fewer child problem behaviors, and had left their children alone unsupervised less frequently at second interview (slides 44, 45, and 46, respectively).

We also found improvements in housing conditions for sanctioned families. At second interview, fewer respondents reported substandard housing quality, housing crowding, and housing instability (slides 51, 52, and 54, respectively). However, we did find a slight increase in average housing costs as a share of total household income (slide 55), and an increase in the percentage of respondents reporting that they paid more than 50 percent of their household income in rent and utilities (slide 56).

Finally, we note that there was a slight decrease in the proportion of children in sanctioned households with health insurance coverage (slide 50), and an increase in the proportion of sanctioned respondents who reported symptoms of depression (slide 59).

Finding #4. Getting the long-term sanctioned to participate in SonomaWORKs remains a challenge. In December 2000, of the families in the original sanction population, 47 percent were still under sanction, 19 percent were still on CalWORKs but

had corrected their sanction, and 34 percent had left CalWORKs (slide 73). Although we found overall improvement in the circumstances of families in the sanctioned group, closer examination indicates that much of this improvement is concentrated among those families that have come into compliance and/or left cash assistance. In particular, families remaining under sanction showed no improvement in household income from first to second interview, while average income relative to poverty for the other two groups rose above the federal poverty level at second interview (slide 76).

We cross-tabulated sanction status at 12 months with measures of illegal drug use, binge drinking, domestic violence, and depression, to determine whether respondents remaining under sanction were more likely to report these problems. Surprisingly, we found that – compared to those who had corrected – respondents still under sanction were not more likely to report problems in these areas. We also compared sanction status with the number of children in the household, and found that respondents still under sanction tended to have more children than those who corrected. Half of those still sanctioned have three or more children, compared to only a third of those who corrected. Larger family size may help account for differences in compliance behavior for two reasons: the size of the grant reduction is smaller for larger assistance units, and respondents with more children are more likely to view child care as a barrier to participation in program requirements.

We did find a substantial increase in the proportion of sanctioned respondents who knew how to restore their grant, from 53 percent of respondents still sanctioned at first interview, to 80 percent of respondents still sanctioned at second interview (slide 77). However, the percentage of respondents still under sanction who had recently tried to restore their grant to its full amount declined from 35 percent at first interview to 29 percent at second interview (slide 78). When asked why they had not taken action to restore their grant, the most common response – given by 42 percent – was that they did not want or need to participate in SonomaWORKs (slide 79). Nineteen percent cited barriers to participation, such as a lack of child care or transportation, needing to care for their spouse, or being homeless. Taken together, these findings suggest that, although some sanctioned families report barriers to participation, the main challenge in getting the

long-term sanctioned to correct is to convince them that it is in their interest to participate in SonomaWORKs.

CONCLUSIONS

CalWORKs leavers and families coming off sanction in Sonoma County have achieved impressive gains in most of the outcome areas we examined in this study. In addition, several study findings have implication for program design. First of all, we found that a significant number of leavers were not aware of, or not using, post-assistance benefits such as Non-Assistance Food Stamps, the Earned Income Tax Credit, and child care subsidies. This points to the need for more emphasis on the provision of information about the availability of these benefits to recipients while they are still on aid. Second, our findings suggest that it may be effective to target post-assistance employment support activities towards leavers who have characteristics that put them at greater risk of recidivism – for example, those who have no high school diploma, have large families, or have no access to a car for transportation to work. Similarly, policies for CalWORKs recipients could be developed that are targeted to families at higher risk of sanction – for example, those with low education levels, larger families, and extensive histories of welfare receipt – and that focus on the problems identified as barriers by these respondents, such as child care, access to a car for transportation to work, and substance abuse. Finally, our findings point to the need for a closer examination of why many long-term sanctioned respondents are not attempting to come into compliance with the program. A home visiting program, such as the one being developed by the county, would be one way to learn more about why these families have remained under sanction, and to develop strategies to address these causal factors.

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OVERVIEW

- ➔ • Objectives and Approach
- Circumstances at Exit
- Circumstances 6 and 12 Months After Exit
- Recidivism
- Non-Compliance
- Summary

Objectives and Approach

- Goals of project
 - ▶ Determine characteristics and circumstances of leavers up to 12 months after exit
 - Those who are “making it”
 - Those who are in need of additional assistance
 - ▶ Determine characteristics and circumstances of long-term sanctioned up to 12 months later
 - Characteristics of families who remain under sanction
 - How to encourage them to participate
 - ▶ Examine implications of these findings for program design

Two key study objectives:

1. To identify circumstances of leavers
2. To see how sanctioned families differ from leavers and examine how they are doing in the absence of a full grant

Objectives and Approach

- Populations of interest
 - ▶ TANF/CalWORKs Leavers
 - ▶ Long-Term Sanctioned
- Study uses a combination of survey and administrative information

Objectives and Approach

- TANF/CalWORKs Leavers
 - Left aid during 4th calendar quarter of 1999
 - All members of case stop receiving cash aid for at least 2 consecutive months
- Long-Term Sanctioned
 - At least one adult associated with the case is sanctioned for the three-month period from December 1999 to February 2000
 - Note: in December 2000, about half of these families were still on CalWORKs in Sonoma County with an adult under sanction

• A leaver is defined as any case that stops receiving aid in either October, November, or December 1999, and remains off aid for at least 2 consecutive months

• A long-term sanctioned case is a case with at least one sanctioned adult in each month of the 3-month period from December 1999 to February 2000. We chose these 3 months because we were surveying in April 2000 and wanted to draw families that were likely to be under sanction when interviewed.

• It is important to note that while many in the sanctioned group remained on CalWORKs and under sanction at the time of the second interview, about half of this group had corrected by the second interview, and about 60 percent of those who had corrected were off aid altogether by December 2000.

Sample Sizes and Response Rates

Population	Total Size	Sample Size	6-Month Response Rate	12-Month Response Rate
Leavers	336	324	78%	69%
Sanctioned	127	121	83%	70%
Total	463	445	80%	70%

- We surveyed the entire population of leavers and sanctioned families, excluding only clients who did not speak English or Spanish because of the costs involved in translating the survey into additional languages.
- 24 of the 445 potential respondents spoke Spanish.
- Eighteen families were not surveyed because they did not speak English or Spanish. The breakdown of these languages is:
 - 6 Cambodian
 - 4 Laotian
 - 4 Vietnamese
 - 1 Russian
 - 3 Other

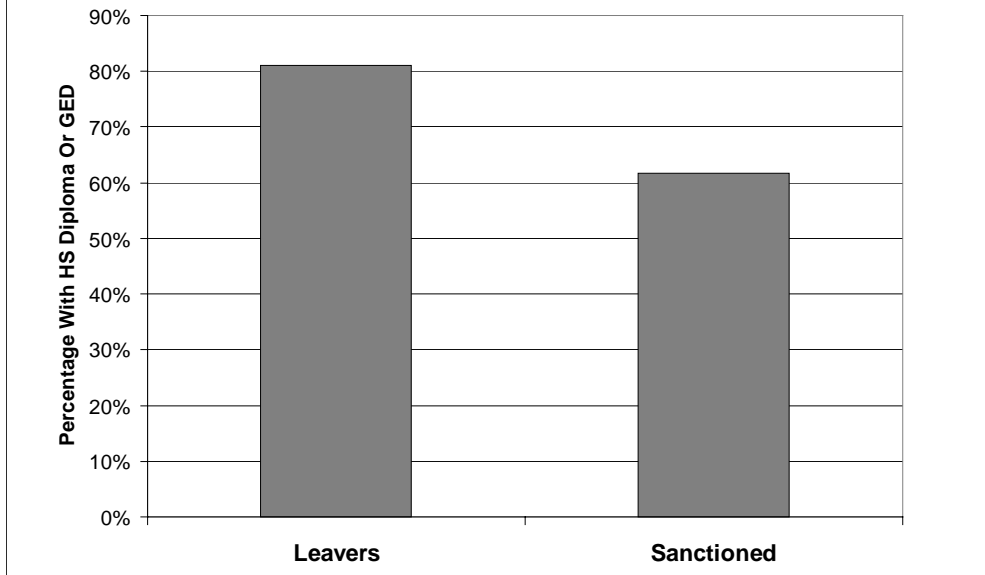
OVERVIEW

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•We will examine differences in the demographic characteristics of the leaver and sanctioned groups, as well as self-reported reasons for exit and sanction.

Educational Attainment

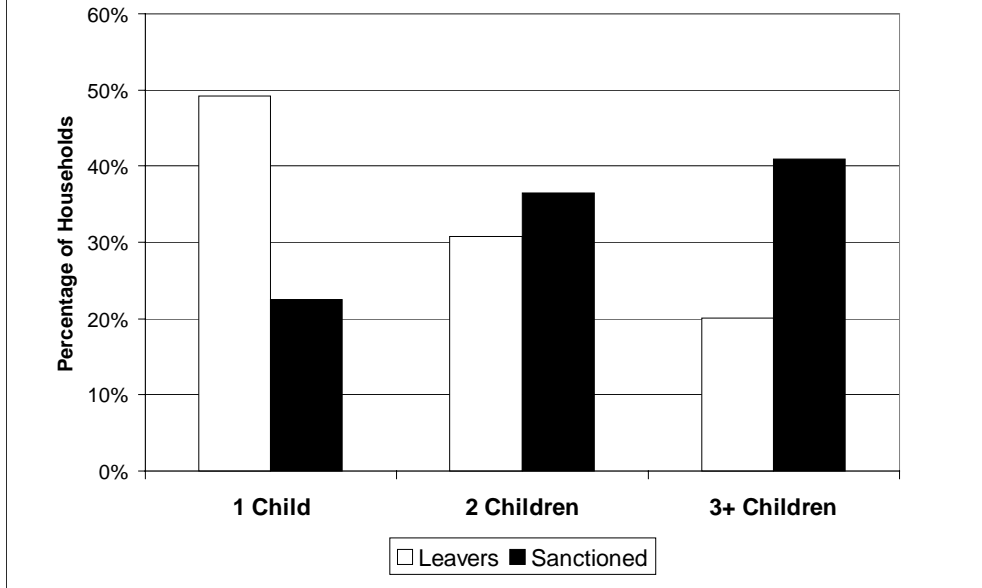
Leavers respondents are more likely to have a high school diploma or GED



- This is the percentage of leavers and sanctioned who report that they have attained at least a GED or a High School diploma
- Leavers tend to have higher levels of educational attainment

Number of Children

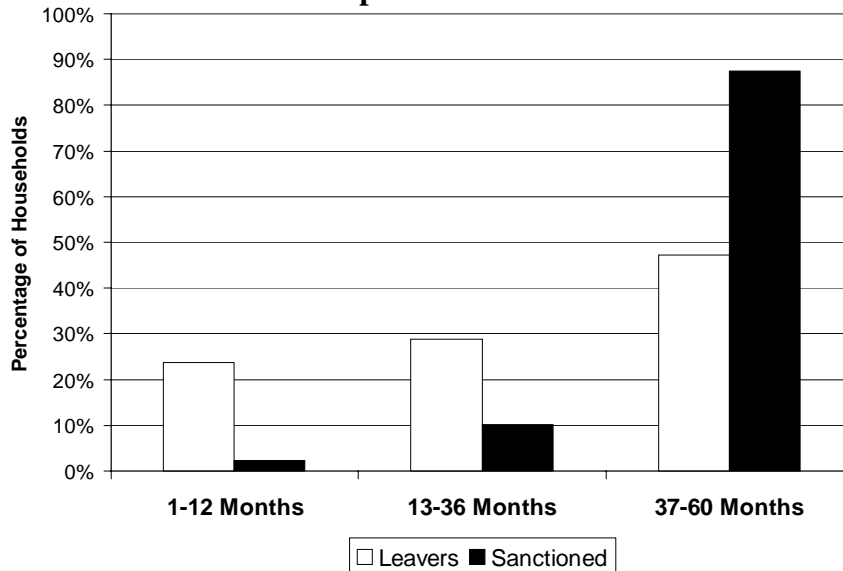
Sanctioned families have more children



- Just under half of leavers have only one child, while more than 75% of sanctioned families have two or more children
- Larger family size may help account for differences in compliance behavior for two reasons: the size of the grant reduction is smaller for larger assistance units, and respondents with more children may be more likely to view child care as a barrier to participation in program requirements.

Cumulative Time on Aid in Previous 60 Months

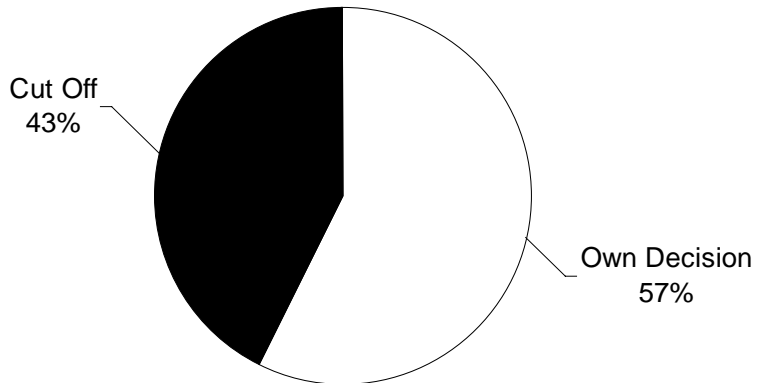
Sanctioned families have used cash aid more extensively in the previous 60 months



- Here we look at three ranges of cumulative AFDC/CalWORKs receipt in the 60 months prior to the quarter of exit/sanction.
- About half of leavers are in the highest aid use category, compared to 87 percent of sanctioned cases.
- Even though leavers tend to have spent less previous time on aid than sanctioned families, it is important to note that about half of the leaver group had been on aid at least 3 of the 5 years prior to exit. In other words, many families leaving aid have extensive histories of aid receipt.

Leavers: Self-Reported Exit Reason

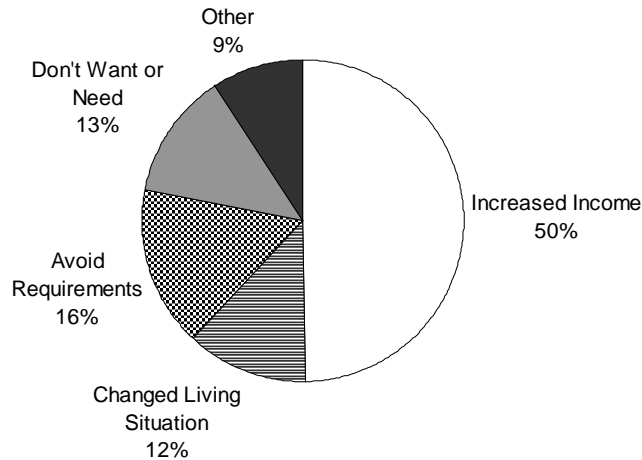
Fifty-seven percent of leavers report that it was their own decision to leave CalWORKs



- We asked leavers whether they were cut off from aid or if leaving aid was their own decision.
- Slightly more than half (57%) said it was their own decision.

Leavers: Self-Reported Exit Reason

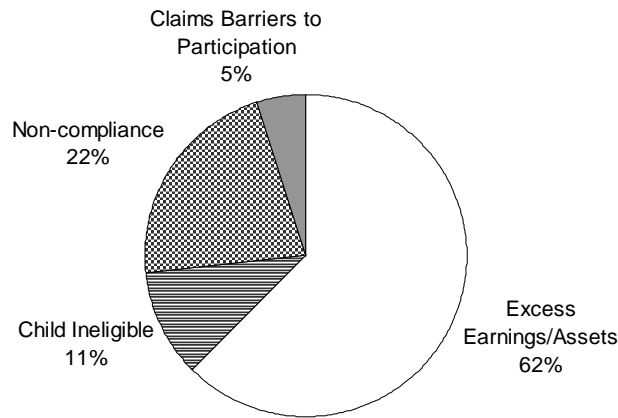
Half of leavers who chose to leave aid report they did so due to increased earnings or income



- This was in response to a sequence of questions asked of the leaver group. First, we asked leavers whether they were cut off from aid or if leaving aid was their own decision. Leavers who said it was their own decision (57 percent of all leavers) then answered an open-ended question asking them the most important reason why they chose to leave aid.
- We coded the open-ended information into the above 5 categories
- Categories are mutually exclusive
- When we compared earnings in the exit quarter with earnings in the quarter prior to exit, as recorded in UI wage data, we found that 60 percent of leavers experienced an increase in earnings. The median increase from the previous quarter for those experiencing earnings gains was \$1,412.

Leavers: Self-Reported Exit Reason

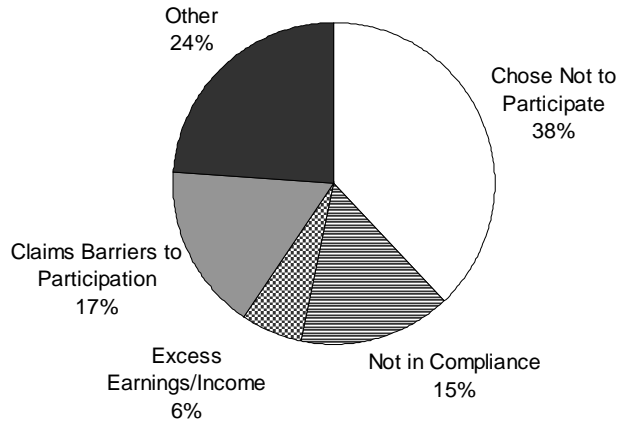
Most leavers *who report being cut off from aid* said their departure was due to excess earned income or assets



- This was also in response to the same sequence of questions asked of the leaver group. First, we asked leavers whether they were cut off from aid or if leaving aid was their own decision. Leavers who said they were cut off (43 percent of all leavers) then answered an open-ended question asking them the most important reason why they were cut off.
- We coded the open-ended information into the above 4 categories
- Categories are mutually exclusive
- When we examined earnings data recorded in UI wage records, we found that 60 percent of leavers experienced an increase in earnings in the exit quarter (relatively to the prior quarter). Among those experiencing earnings gains, the median increase from the previous quarter was \$1,412, or about \$470 per month.

Self-Reported Sanction Reason

At first interview, 53% of sanctioned respondents said their grant was reduced because they were not participating in Sonoma Works



- This was in response to an open-ended question asking the sanctioned to think back to the point at which they were originally sanctioned, and explain why they received the sanction.
- Categories are mutually exclusive.
- These answers are not administrative reasons, but interpretations by sanctioned clients as to why they are under sanction. Therefore categories like ‘excess income’ may not be correct, but reflect the opinions of the sanctioned clients.
- 17 percent of sanctioned claim they have barriers to participation.
- The largest group – 38% - said they were under sanction because they chose non-participation.
- Of the 21 respondents in the ‘other’ category, the largest subgroups were those who said:
 1. they did not know why they were sanctioned (4 respondents);
 2. their grant was reduced to correct for a previous overpayment (3 respondents);
 3. they had committed fraud (3 respondents); and
 4. they were sanctioned for school attendance or a felony conviction (3 respondents).

OVERVIEW

- Objectives and Approach
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- ➔ • Circumstances 6 and 12 Months After Exit
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•Uses a combination of administrative and survey data to look at respondent circumstances 6 and 12 months after exit/sanction

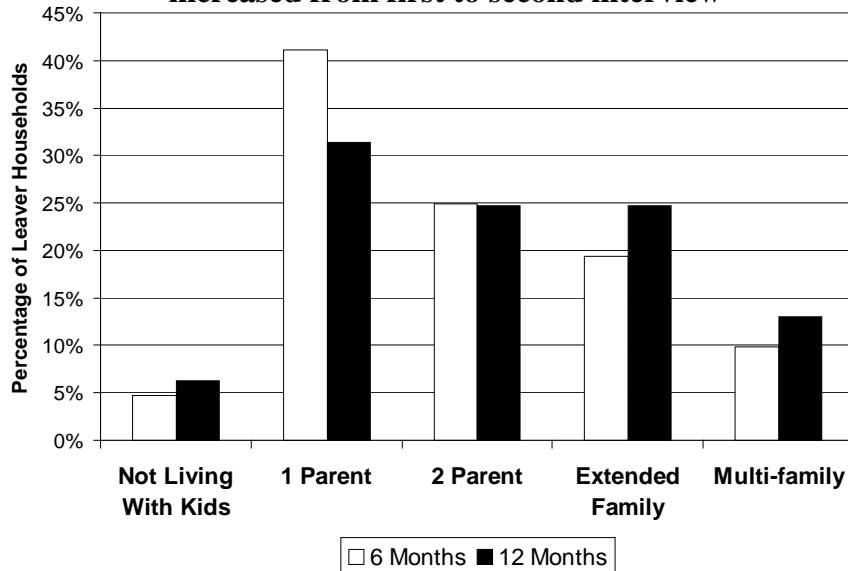
Circumstances at 6 and 12 Months

- Household and family structure
- Employment and earnings
- Income and economic security
- Child care and child well-being
- Health insurance coverage
- Housing
- Family well-being

•We will examine outcomes in these areas.

Leavers: Household Structure

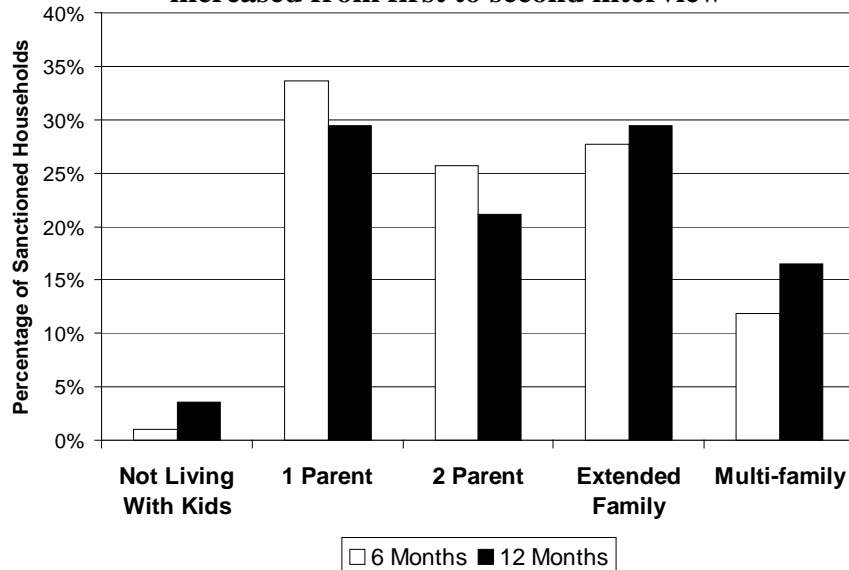
Proportion of leavers in extended or multi-family households increased from first to second interview



- This picture compares household composition *for leavers* at 1st and 2nd interview.
- It shows the breakdown of respondents living in one of five situations:
 1. Without kids: the children originally in the respondent's aid unit either turned 18 or no longer live in the household
 2. One-parent: the household unit is comprised of the respondent and at least one child
 3. Two-parent: the household unit is comprised of the respondent, a spouse/partner, and at least one child
 4. Extended family: the household is one or two parent plus a *related* adult
 5. Multiple family: the household is one or two parent plus a *non-related* adult
- The proportion of leavers in extended or multiple family households increased from first to second interview.

Sanctioned: Household Structure

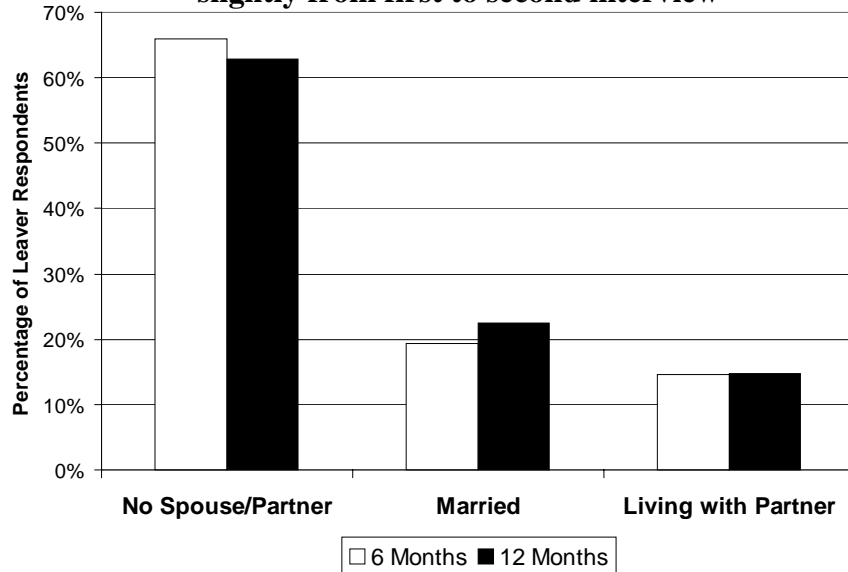
Proportion of sanctioned in extended or multi-family households increased from first to second interview



- This picture compares household composition *for the sanctioned* at 1st and 2nd interview.
- It shows the breakdown of respondents living in one of five situations:
 1. Without kids: the children originally in the respondent's aid unit either turned 18 or no longer live in the household
 2. One-parent: the household unit is comprised of the respondent and at least one child
 3. Two-parent: the household unit is comprised of the respondent, a spouse/partner, and at least one child
 4. Extended family: the household is one or two parent plus a *related* adult
 5. Multiple family: the household is one or two parent plus a *non-related* adult
- Sanctioned families are more likely than leavers to be living in an extended/multiple family household.
- The proportion of sanctioned families in extended or multi-family households also increased from first to second interview.

Leavers: Marital Status

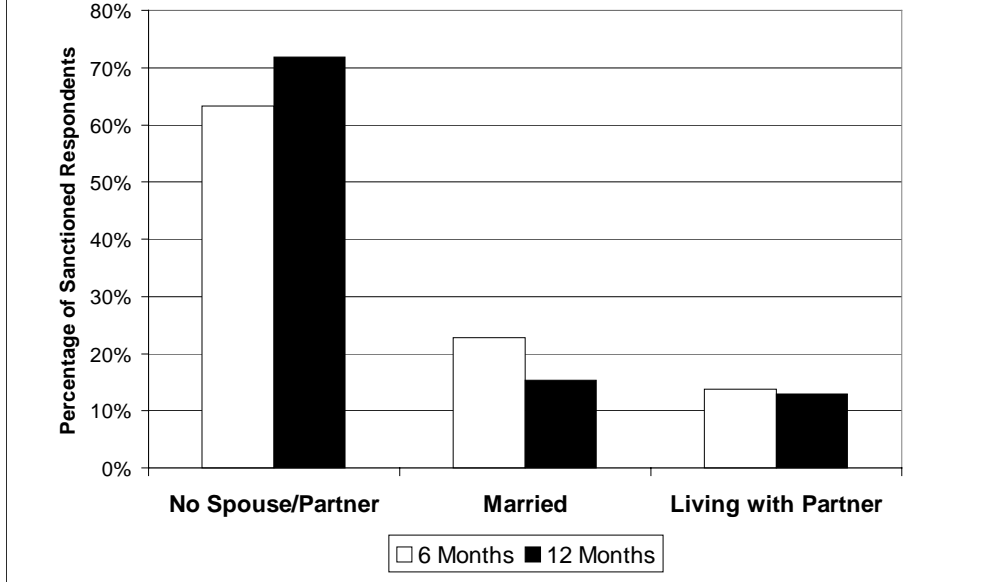
The proportion of leaver respondents who are married increased slightly from first to second interview



- This picture looks at marital status and compares the percentage of *leaver respondents* who are married or living with a partner at first or second interview.
- Note that some married/cohabitating respondents are in extended/multiple family households
- The proportion of leaver respondents who are married increased slightly from first to second interview.

Sanctioned: Marital Status

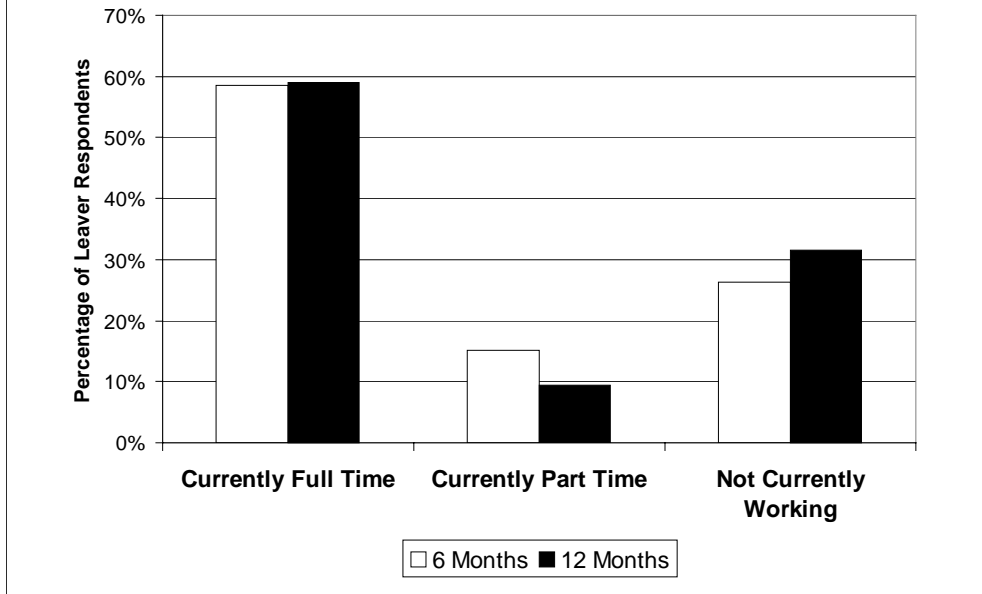
The proportion of sanctioned respondents who are married decreased from first to second interview



- This picture looks at marital status and compares the percentage of *sanctioned respondents* who are married or living with a partner at first or second interview.
- Note that some married/cohabitating respondents are in extended/multiple family households
- The proportion of sanctioned respondents who are married decreased from first to second interview.

Leavers: Current Employment Status

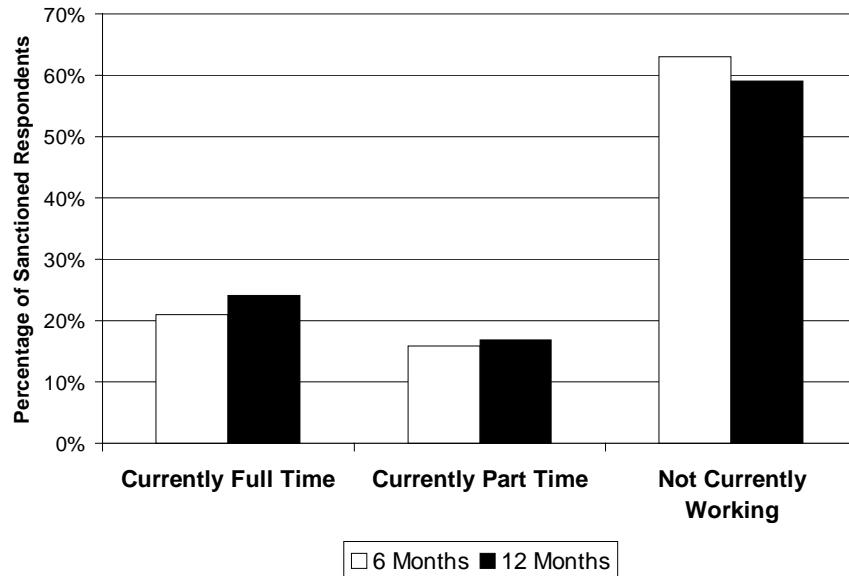
**Most leaver respondents are employed full time
at both first and second interview**



- This picture compares leaver respondents' work activity at 6 and 12 months.
- The percentage employed full-time has remained stable at about 60 percent, while the fraction currently employed part-time dropped slightly from first to second interview.

Sanctioned: Current Employment Status

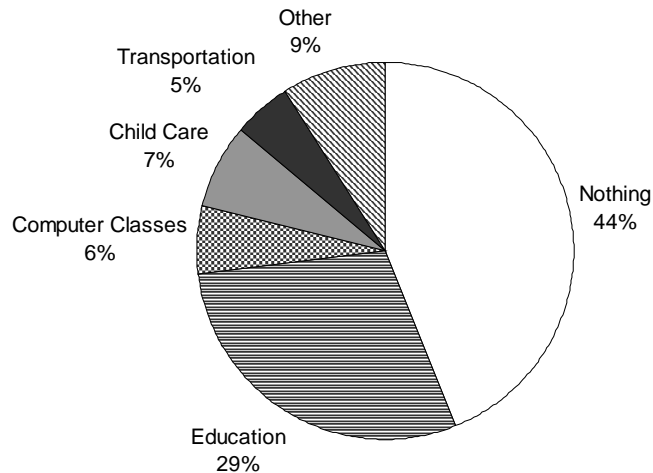
The percentage of sanctioned respondents who are currently employed increases slightly from first and second interview



- This picture compares sanctioned respondents' work activity at 6 and 12 months.
- The percentage employed full-time increased slightly from first to second interview, but remains quite low relative to leaver respondents.
- Survey and administrative data sources paint a similar picture of sanctioned respondent's work behavior. For example, in UI wage data we found the 66 percent of sanctioned respondents did not have earnings recorded in the first interview quarter, and 59 percent did not have earnings recorded in the second interview quarter. These results are almost identical to the percentages reporting that they are not currently working at first and second interview in the survey data.

Desired Services to Increase Job Retention/Promotion

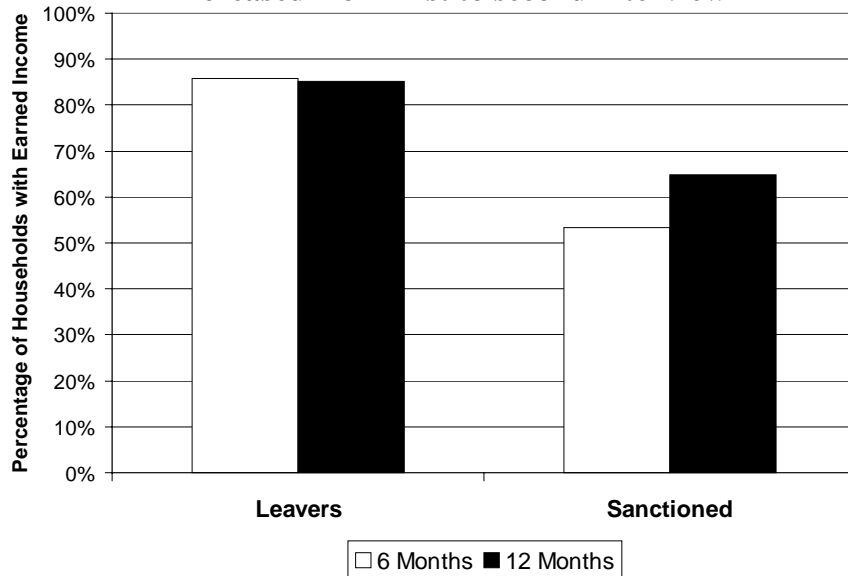
Additional education is the most common type of assistance desired by employed respondents



- Employed respondents were asked what services the Sonoma County Human Services Department could provide to help them keep their current job or get promoted.
- This slide reflects the services identified by respondents to be of highest priority to them.
- Far more respondents identified assistance with education (with 6% specifically mentioning computer training) than identified child care or transportation assistance.
- When asked what additional assistance would help them to use these services (if they were available) the responses were:
 1. Nothing – 53%
 2. Child Care – 24%
 3. Transportation – 12%
 4. Education – 6%
 5. Other – 5%

Household Earnings

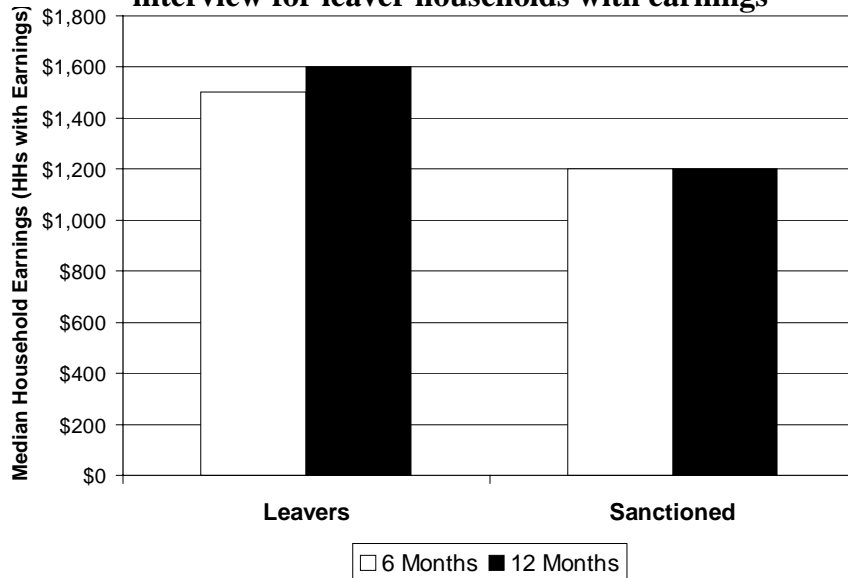
Percentage of sanctioned households with earned income increased from first to second interview



- Because there are often other working members of the household, the proportion of leaver and sanctioned *households* with earnings is substantially larger than the proportion of *respondents* with earnings.
- This figure shows the proportion of households in each group with earned income at first and second interview.
- The proportion of leaver households with earnings remained stable at about 85 percent, while the proportion of sanctioned households with earnings increased from 53 percent to 65 percent from first to second interview.

Household Earnings

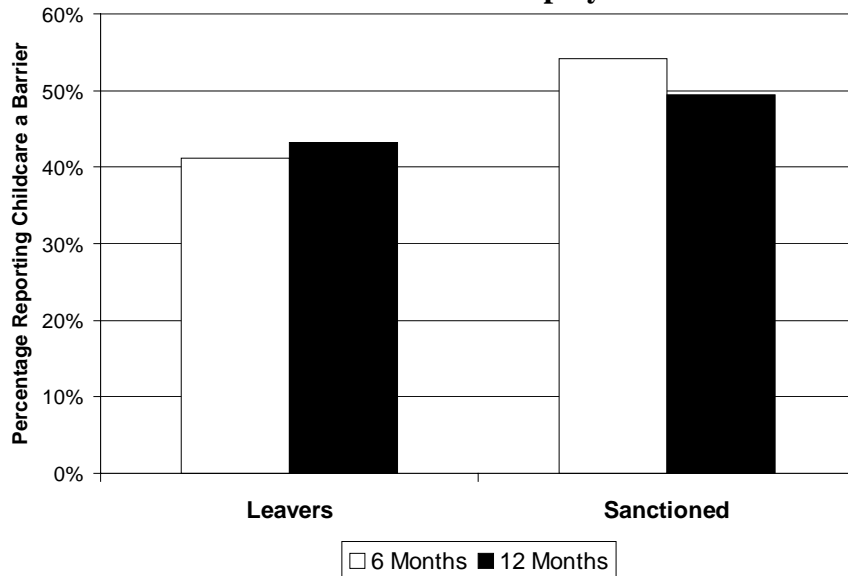
Small increase in median earnings from first to second interview for leaver households with earnings



- While the previous slide reported the proportion of households with earnings, this slide shows the median monthly *household* earnings at first and second interview, *among households with earnings*.
- Leavers' median household earnings increased slightly from first to second interview.
- The median remained unchanged for the sanction group. Recall, however, that a much larger proportion of sanctioned households had earnings at second interview.

Reported Employment Barriers: Child Care

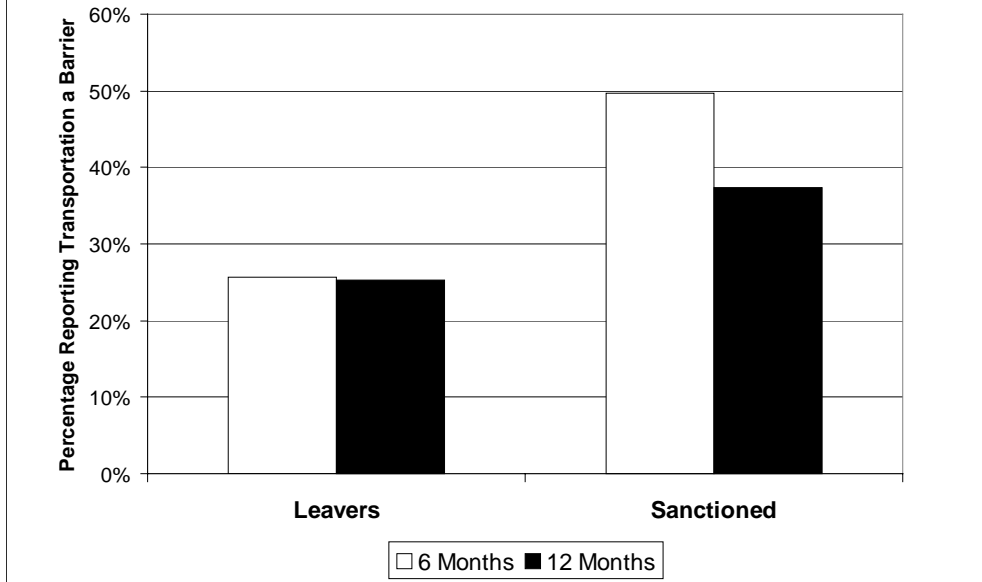
Childcare remains a frequently reported barrier to full-time employment



- This picture shows the proportion of respondents reporting that child care is (would be) a problem because they are (if they were) employed full time.
- The proportion reporting that child care is a barrier to full-time employment remains high at second interview for both groups.

Reported Employment Barriers: Transportation

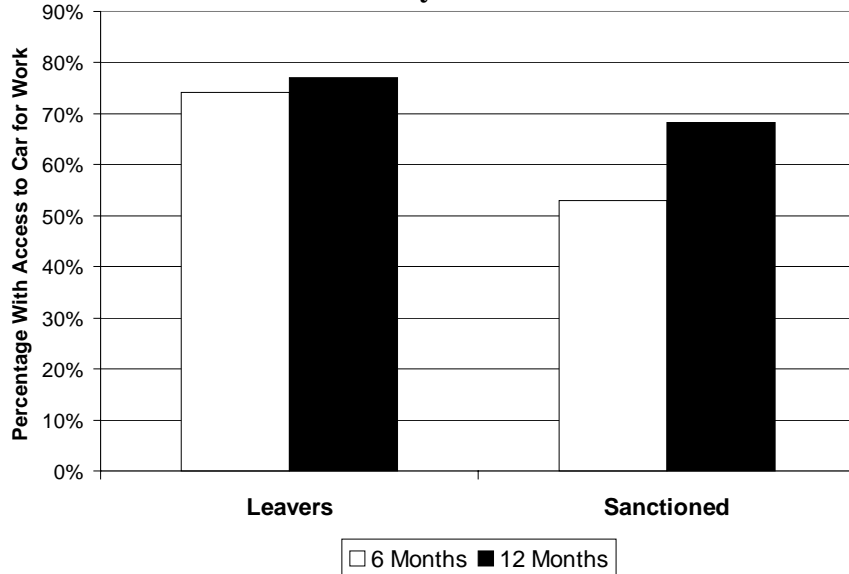
Fewer sanctioned respondents report that transportation is a barrier to full-time employment at second interview



- This picture shows the proportion of respondents reporting that transportation is (would be) a problem because they are (if they were) employed full time.
- The proportion of sanctioned respondents reporting that transportation is a barrier to full-time employment declined substantially from first to second interview.

Access to a Car for Work

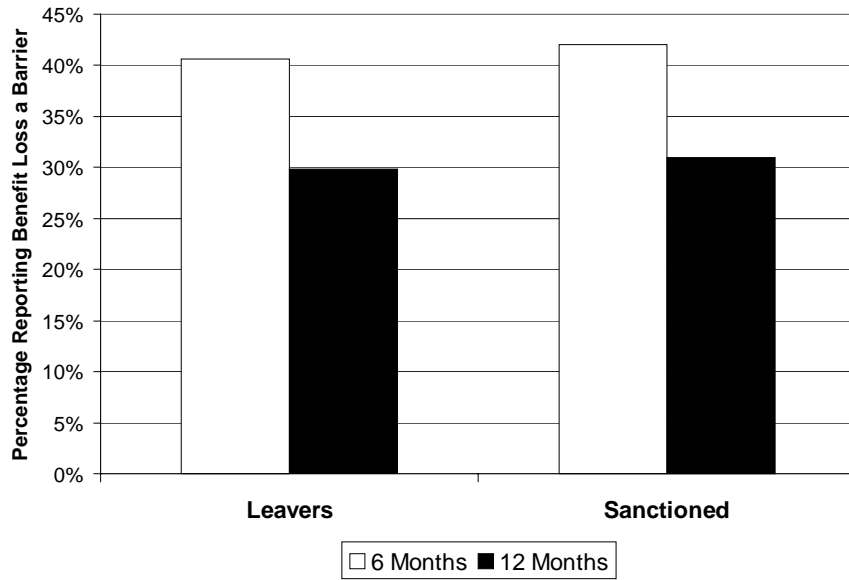
Sanctioned respondents access to a car for transportation to work increased markedly from first to second interview



- This picture looks at the proportion of respondents reporting that they have access to a car that they can/could use regularly to get to work.
- Access to a car increased substantially from first to second interview for sanctioned respondents, which mirrors the decline in the proportion of this group reporting that transportation is a barrier to full-time employment.

Barriers to Employment: Loss of Benefits

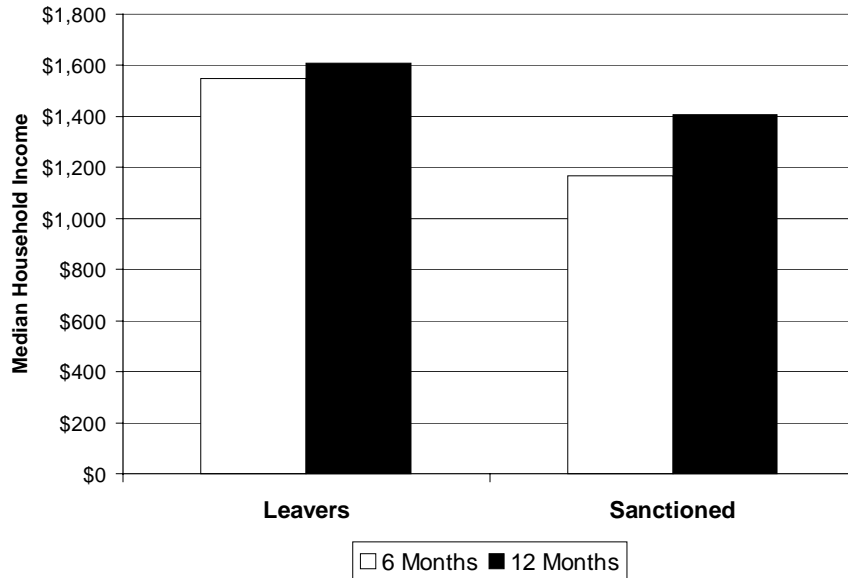
Fewer respondents report concerns about loss of benefits



- Both groups report a substantial decline in concern about the impact of full-time employment on the loss of eligibility for benefits.

Monthly Household Income

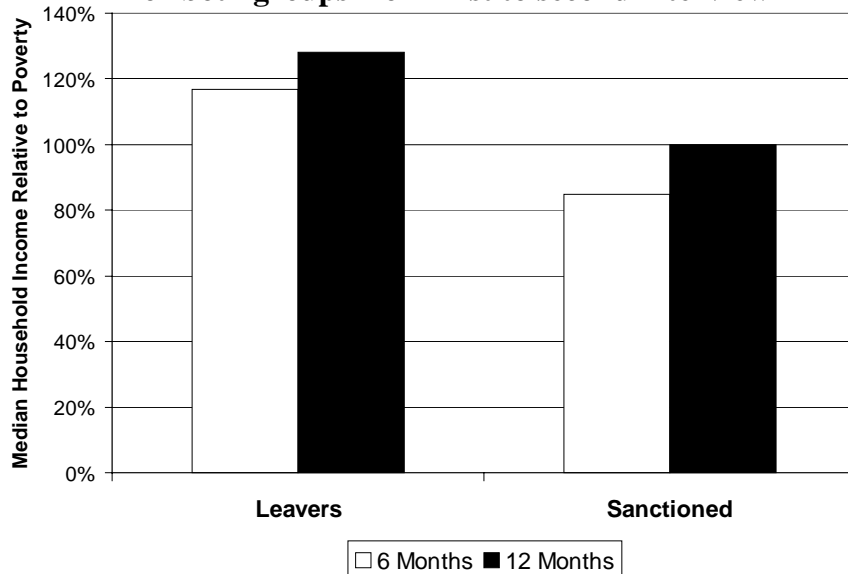
Income gains are greatest for sanctioned households



- This picture shows the median monthly household income for both groups, and includes earnings and other income sources for *all* sanctioned and leaver households (a previous picture looked at earned income only among households with earnings)
- Median household income increased for both groups between first and second interview. The increase was greater for the sanctioned group.

Income Relative to Poverty

Median household income relative to poverty increased for both groups from first to second interview



- Here we compare the median value of household income for both groups relative to the Federal Poverty Level.
- Both groups experienced substantial increases from first to second interview in median income relative to poverty. Specifically, the median rose from 117% to 127% for leavers, and 85% to 100% for the sanctioned group.
- 71 percent of leavers are above the poverty line at second interview, compared to 50 percent of sanctioned households.

Earnings Share of Household Income

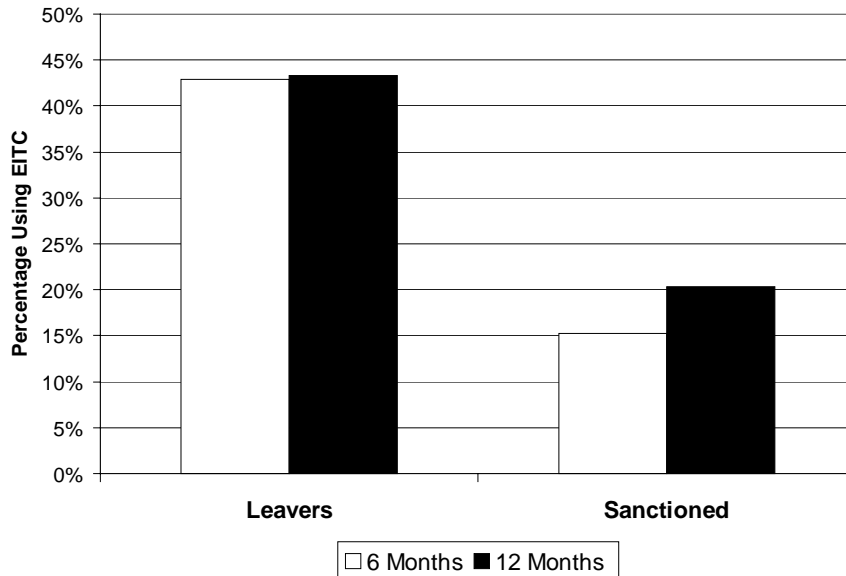
Earnings share of household income increased sharply for sanctioned households from first to second interview



- This figure looks at earnings as a percentage of total household income among those with reported income (almost all households have reported income).
- Leavers are more likely to be employed and less likely to receive public assistance, therefore you would expect that earnings comprise a greater percentage of their household income.
- However, the median earnings share increased substantially for sanctioned households between first and second interview.

Use of the Earned-Income Tax Credit

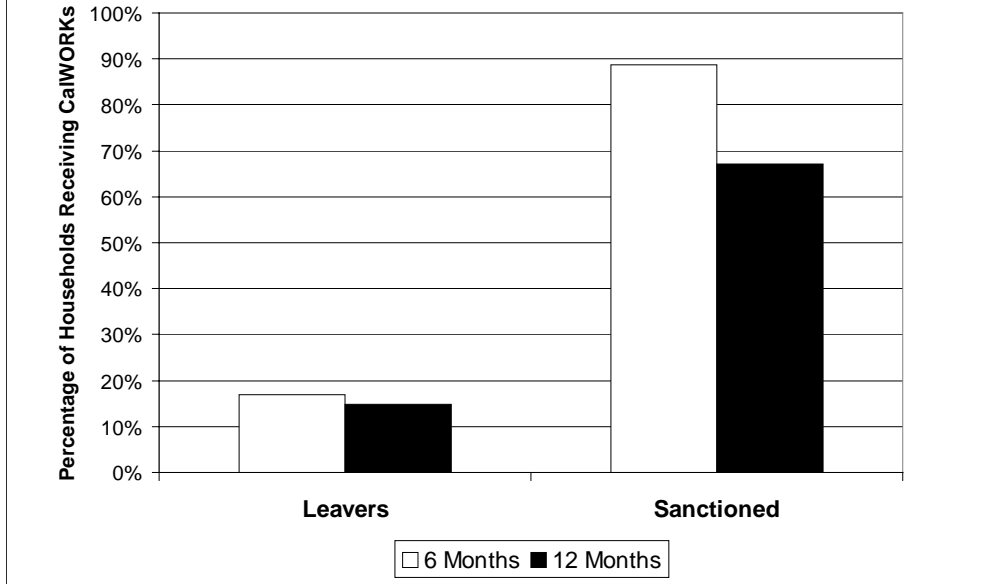
**Use of the EITC by sanctioned households
increased slightly from first to second interview**



- This slide reports the percentage of households using the EITC.
- Among leavers, use of the EITC remained unchanged at about 43% at both first and second interview.
- Use among sanctioned households increased from 15 to 20 percent. This increase was entirely due to an increase among households who corrected their sanction by the time of the second interview.

Receipt of CalWORKs

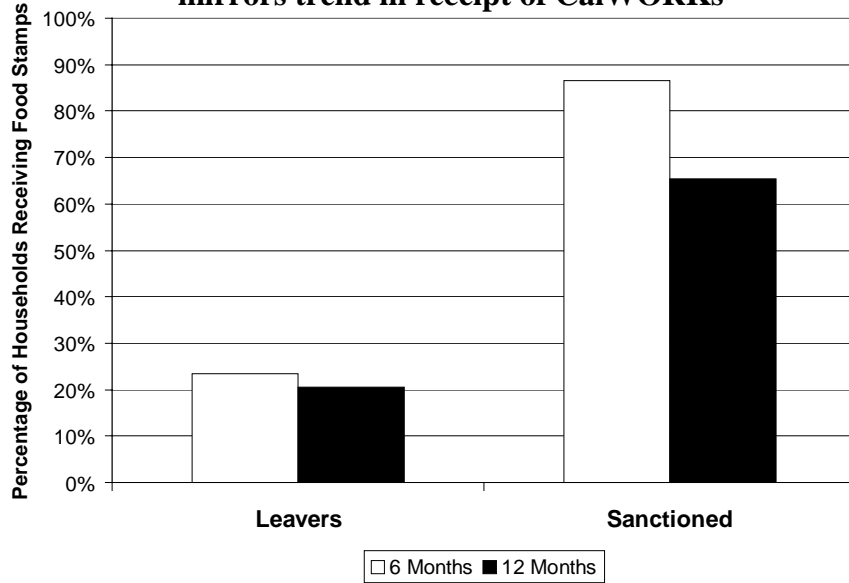
Percentage of sanctioned households receiving CalWORKs declines from first to second interview



- The fraction of sanctioned households receiving CalWORKs declined by about 20 percentage points from first to second interview.
- The fraction of leaver households receiving CalWORKs also declined slightly over the period.

Receipt of Food Stamps

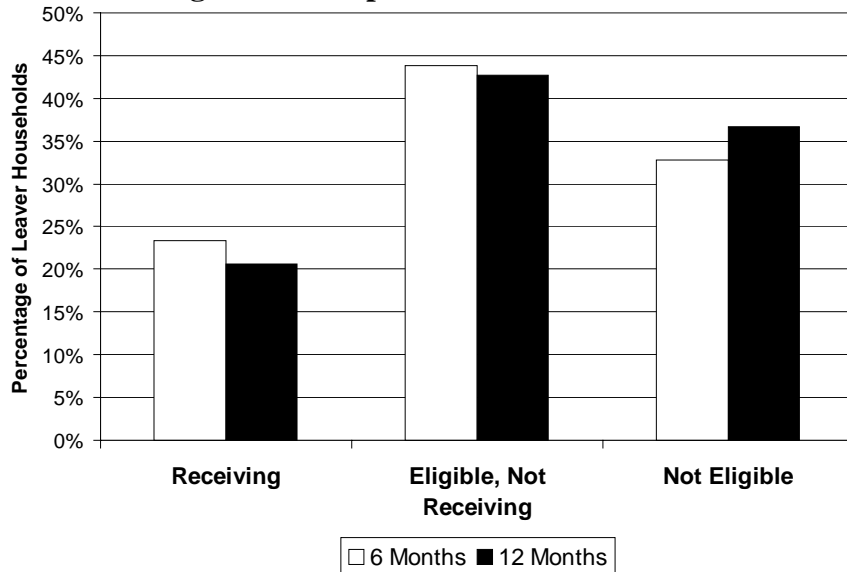
Decline in Food Stamps receipt by sanctioned households mirrors trend in receipt of CalWORKs



- Changes in Food Stamps receipt from first to second period mirror changes in CalWORKs receipt.

Leavers: Eligibility and Receipt of Food Stamps

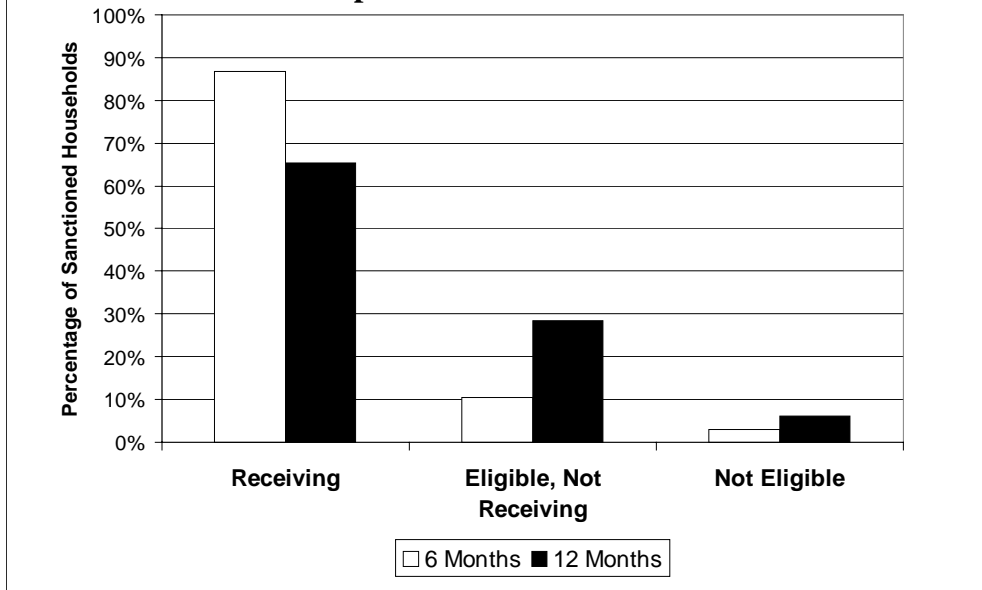
About 40 percent of leaver households appear to be eligible but are not receiving Food Stamps at both first and second interview



- Among leavers, only one-third of the households we estimate to be eligible for Food Stamps are actually receiving Food Stamps at both first and second interview.

Sanctioned: Eligibility and Receipt of Food Stamps

Most households in the sanction group continue to receive Food Stamps at the second interview



- The proportion of the sanctioned group in the “(estimated) eligible, not receiving” category increased from first to second interview. Note that about a third of the sanctioned group left CalWORKs by the time of the second interview. The low rate of take-up of non-assistance Food Stamps among the “leavers” in the *sanctioned* group is consistent with the take-up rate observed for the leavers group.

Average Foregone Food Stamps Allotment

At second interview, the median size of the estimated monthly Food Stamps allotment foregone is about \$120



- Among households that appear to be eligible but are not receiving Food Stamps, we estimated the median size of the foregone monthly Food Stamps allotment.
- The average foregone allotment declines sharply for the sanctioned. Bear in mind, however, that only a small percentage of sanctioned households were estimated to be eligible but not receiving Food Stamps at first interview.

Receipt of Child Support

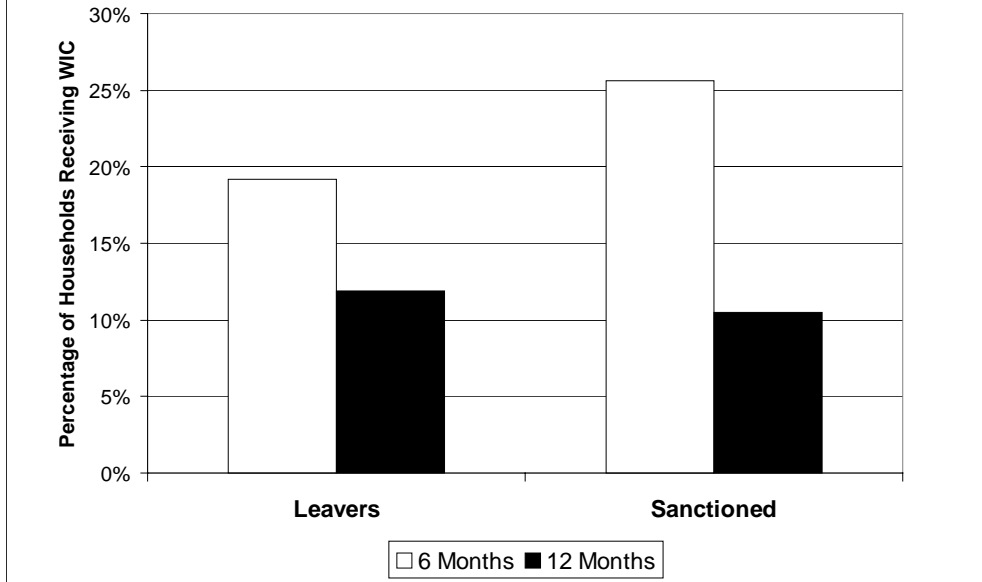
Receipt of child support declines slightly for sanctioned households



- Receipt of child support remained stable for leavers, but declined for the sanctioned from first to second interview.

Receipt of WIC

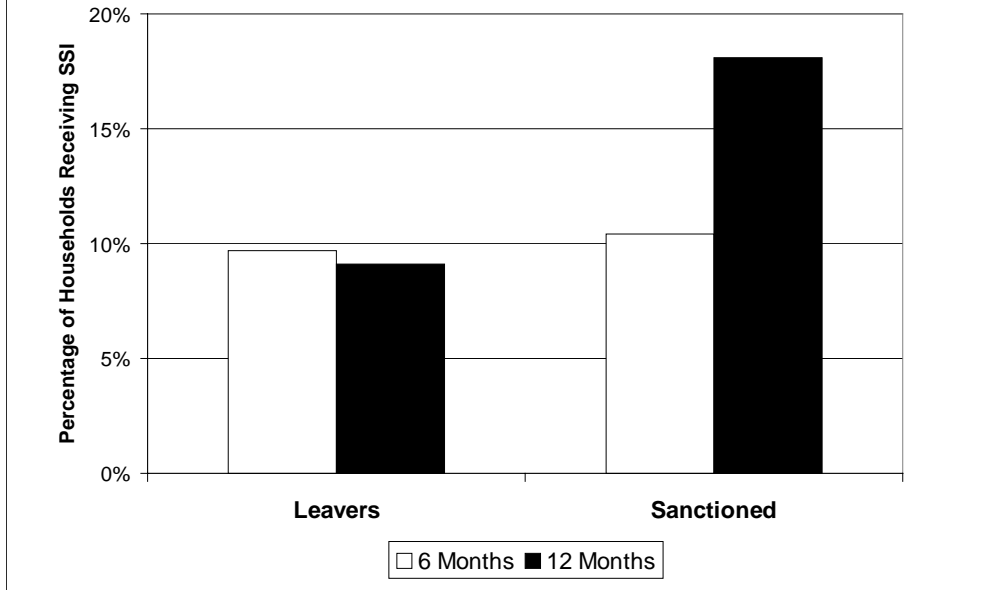
WIC receipt declines for both leaver and sanctioned households



- Receipt of WIC declined sharply from first to second interview for both groups. This is probably related to the aging of the youngest child in the household from first to second interview.

Receipt of SSI/SSP

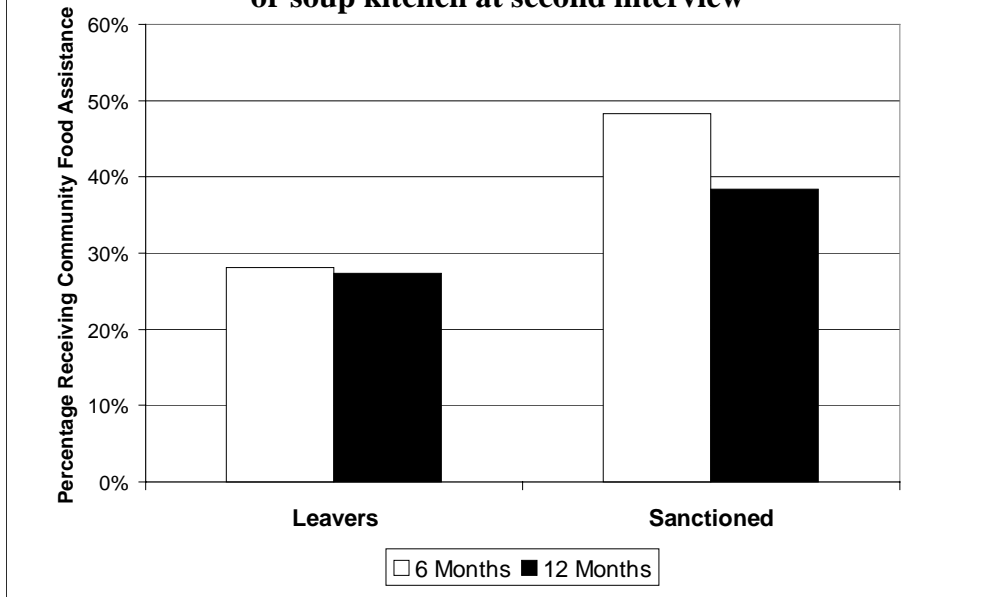
SSI receipt increases sharply in sanctioned households



- The percentage of sanctioned households with a member receiving SSI/SSP almost doubled from first to second interview.
- This may reflect a trend toward certain sanctioned respondents, for whom health issues were a barrier to participation, being shifted from CalWORKs to SSI/SSP.

Receipt of Community Food Assistance

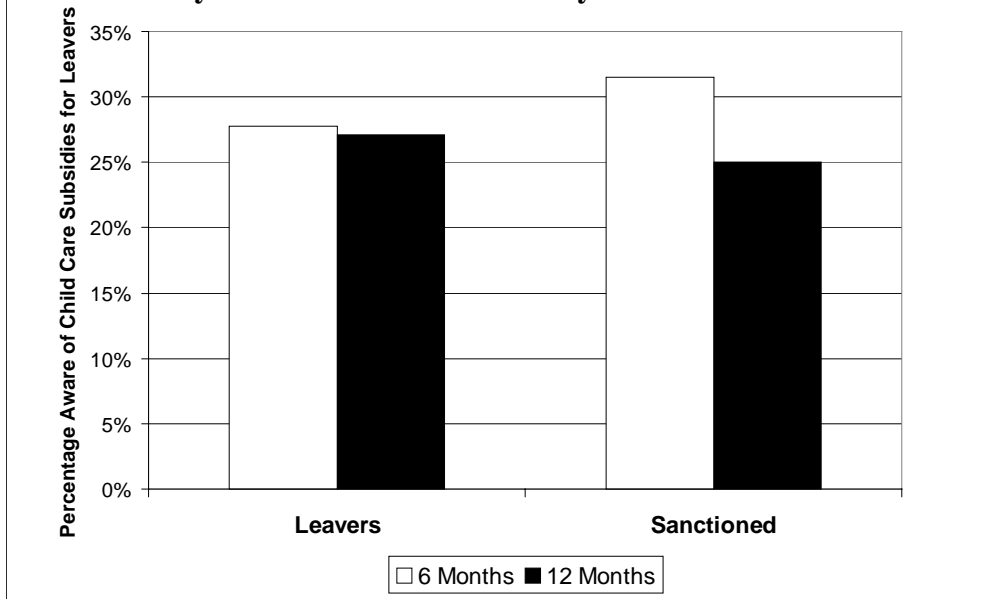
Fewer sanctioned families use a food pantry, food bank, or soup kitchen at second interview



- Use of community-based food assistance declined substantially for sanctioned households from first to second interview. Given the improvement in income for sanctioned households from first to second interview, this decline is more likely to reflect a decreased need for food assistance, rather than reduced access to food assistance.

Awareness of Child Care Subsidies

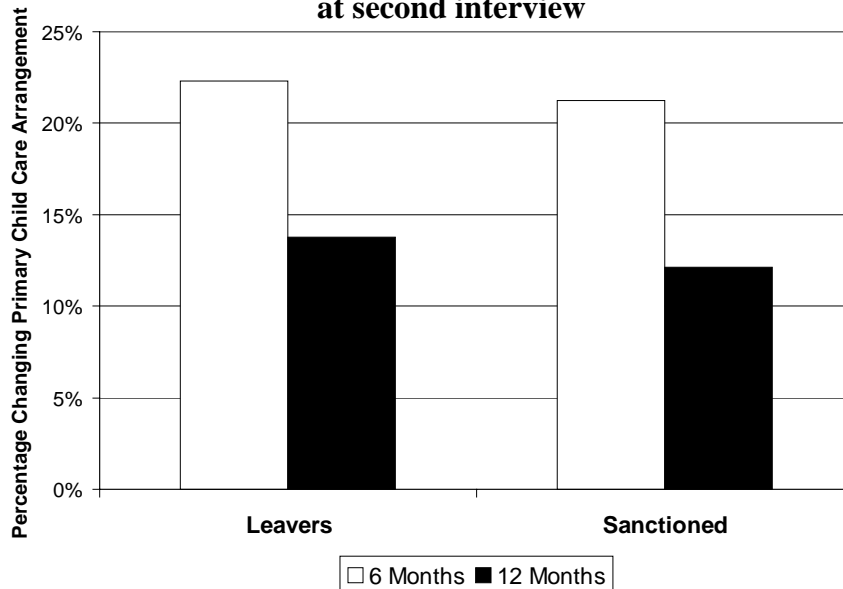
About 25 percent of both groups continue to report at 2nd interview that they are unaware of availability of child care subsidies



- This picture looks at awareness of the availability of child care subsidies for all respondents who have a child under 14. At second interview, about 25 percent of each subgroup continue to report that they are unaware of the availability of child care subsidies
- There was, however, a significant decline in the percentage of sanctioned respondents who reported they were unaware of subsidies.

Stability of Child Care Arrangements

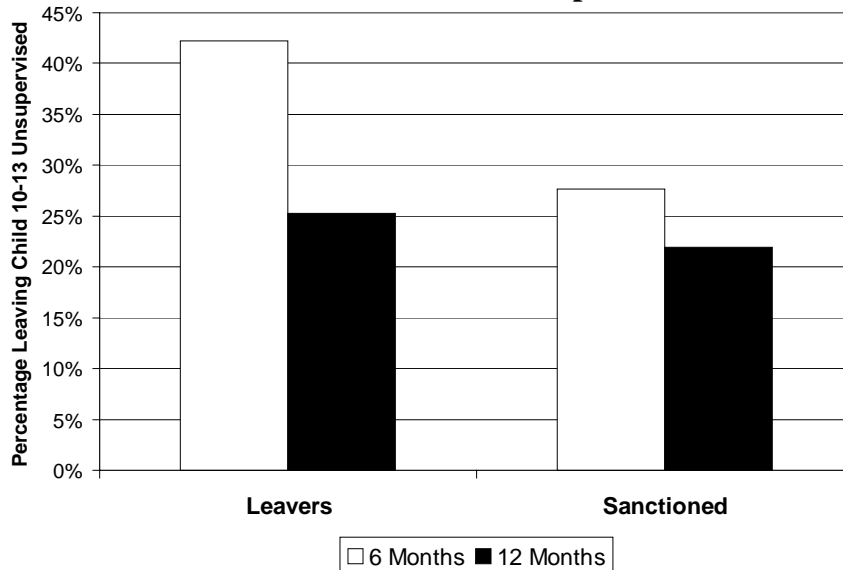
Fewer respondents reported changing child care arrangements at second interview



- This picture compares the percentage of each group that changed child care providers for the focal child at least once in the six months prior to the interview.
- Inconsistent child-care is important both because it is linked to negative child outcomes and could impact the respondent's employment outcomes.
- Changing child care includes changing program types, providers, or even babysitters (if that was the primary child care arrangement)
- Both groups experience increasing stability of child care arrangements from first to second interview.

Child Supervision

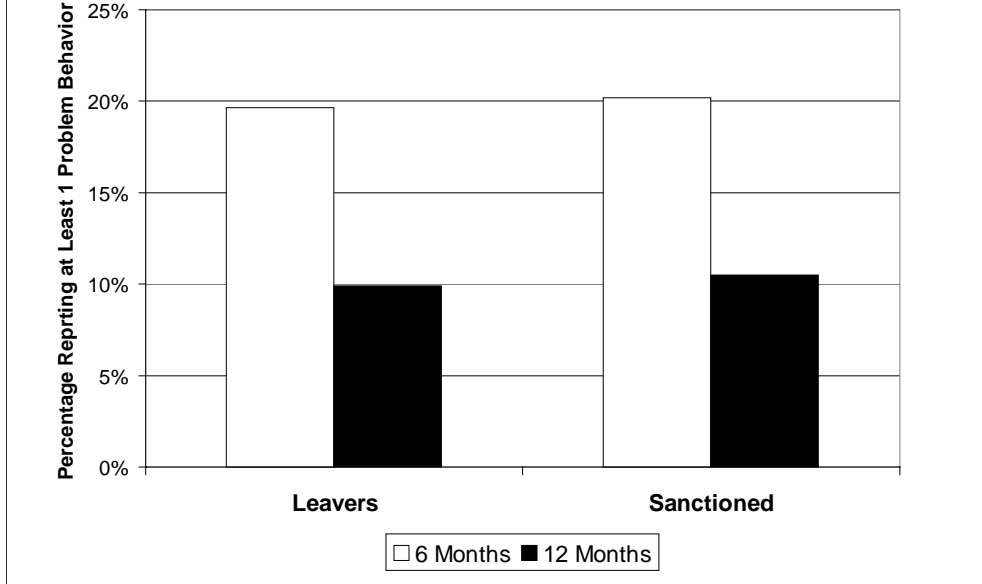
At second interview, fewer respondents report leaving a child under 14 alone unsupervised



- This figure reports the proportion of each group with a focal child aged 10-13, who left the child alone unsupervised for at least some time in the previous month.
- The proportion declined for both groups from first to second interview. The decline was especially large among leavers.
- No leaver with a focal child less than 10 years of age reported leaving that child alone unsupervised at either first or second interview. Five percent of sanctioned respondents reported leaving a focal child under age 10 alone unsupervised at some point in the last month at first interview, but none reported such an occurrence at second interview.

Child Problem Behaviors

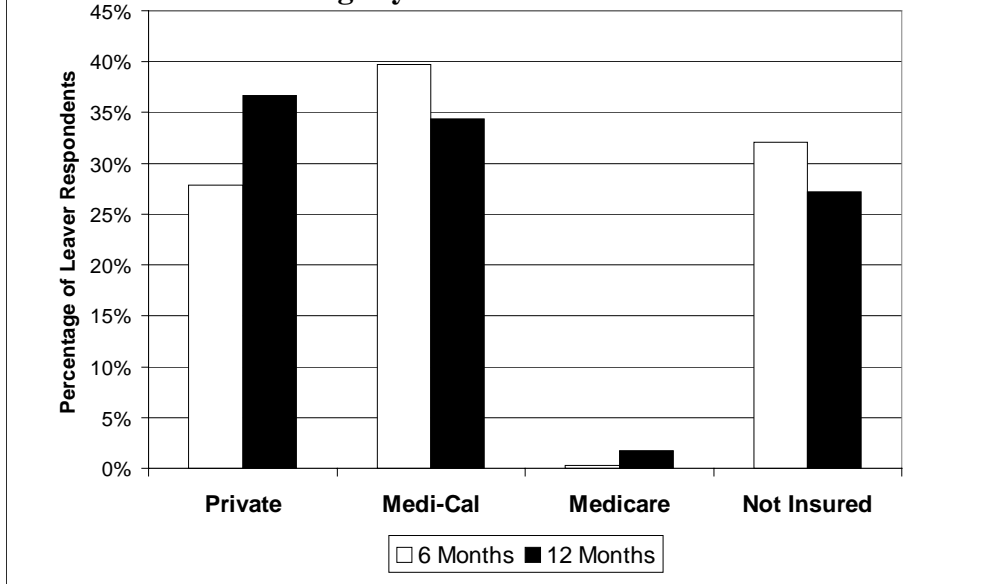
Fewer respondents report child problem behaviors at second interview



- This picture looks at the percent of families who rated their focal child as exhibiting any of six problem behaviors in the past six months: suspension/expulsion from school, trouble with the police, substance use or abuse, illegal activities, school drop out, or pregnancy/getting a girl pregnant
- The proportion of respondents reporting child problem behaviors declined by 50 percent from first to second interview for both groups.

Leavers: Respondent Health Insurance Coverage

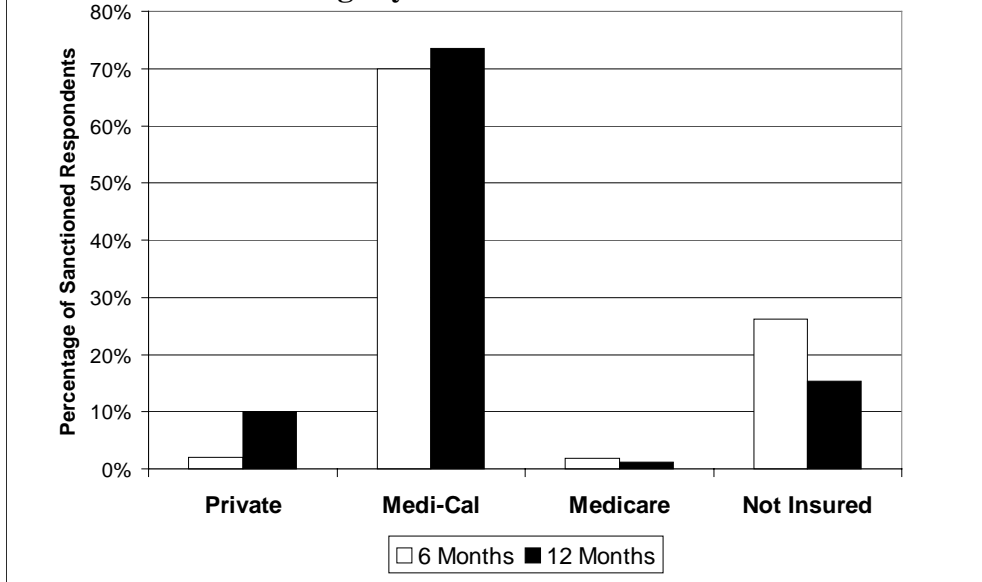
Among leaver respondents, private health insurance coverage increased slightly from first to second interview



- This figure looks at self-reported types of insurance coverage for leaver *respondents*.
- The percentage of leaver respondents with health insurance coverage increased slightly from first to second interview, because the increase in private health insurance coverage more than offset the decline in Medi-Cal coverage over the period.

Sanctioned: Respondent Health Insurance Coverage

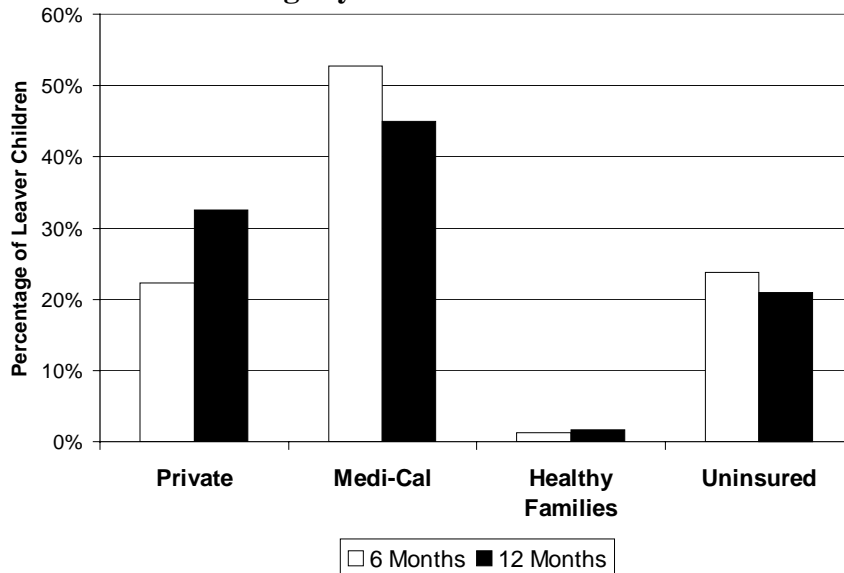
Among sanctioned respondents, private health insurance coverage increased slightly from first to second interview



- This figure looks at self-reported insurance coverage for sanctioned *respondents*
- The percentage reporting that they are not insured decline from first to second interview, mainly due to an increase in the proportion reporting private health insurance coverage.

Leavers: Child Health Insurance Coverage

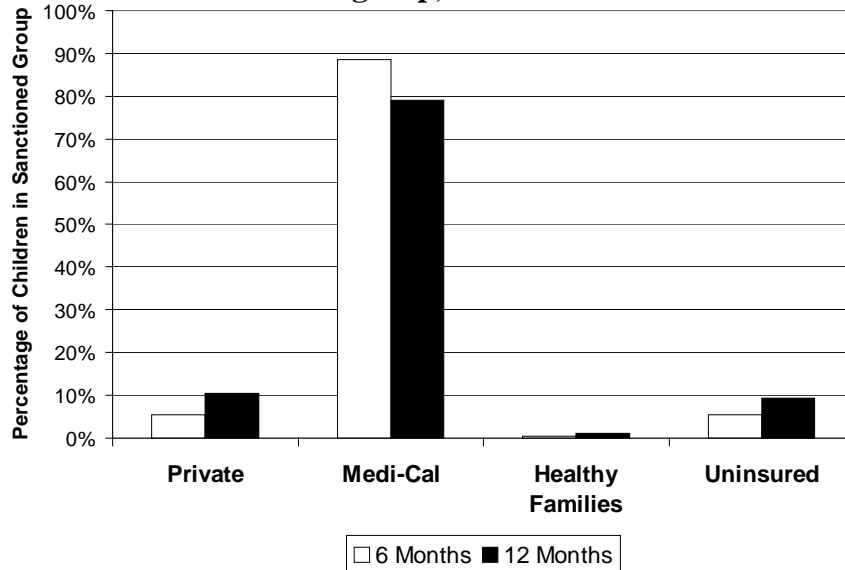
The proportion of leaver children with health insurance coverage increased slightly from first to second interview



- This examines the proportion of *leaver* respondents' children who are covered by private or government insurance
- The percentage of leaver children with health insurance coverage increased slightly from first to second interview, because the increase in private health insurance coverage more than offset the decline in Medi-Cal coverage over the period.

Sanctioned: Child Health Insurance Coverage

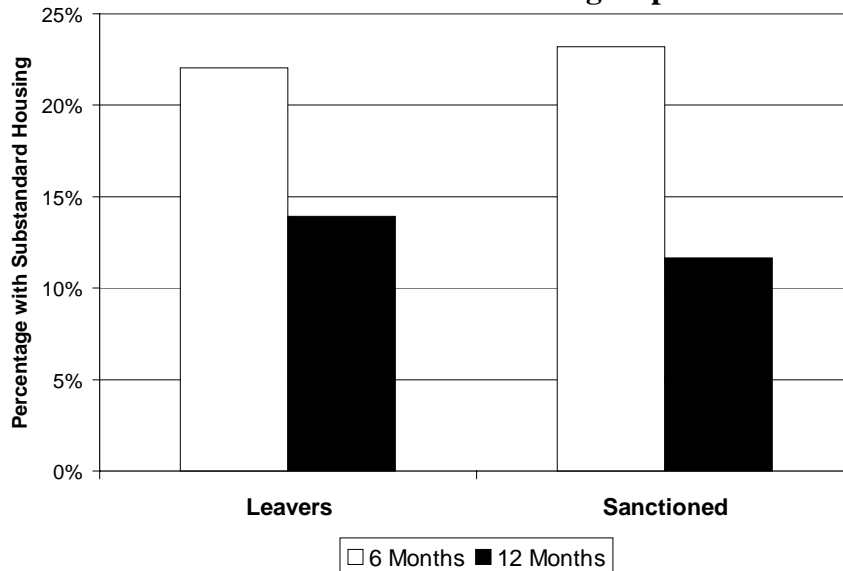
Rates of insurance coverage remain higher for children in sanctioned group, relative to leavers



- This examines the proportion of *sanctioned* respondents' children who are uninsured or covered by private or government insurance
- Although the proportion of sanction group children who are uninsured rose slightly from first to second interview, coverage rates remain higher than observed among children in the leaver group.

Housing Quality

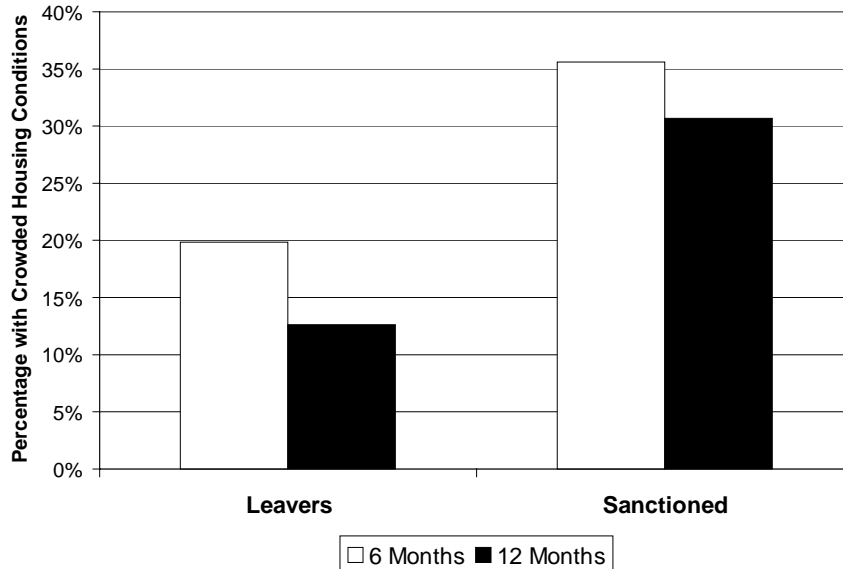
Housing quality improved substantially from first to second interview for both groups



- Respondents were asked whether their current residence had:
 1. A leaky roof or ceiling,
 2. A toilet, hot water heater, or other plumbing that does not work, or
 3. Rats, mice, roaches, or other insects
- If the respondent answered yes to one or more of these questions, their housing is considered to be substandard.
- The percentage of respondents reporting substandard housing quality declined markedly from first to second interview.

Housing Crowding

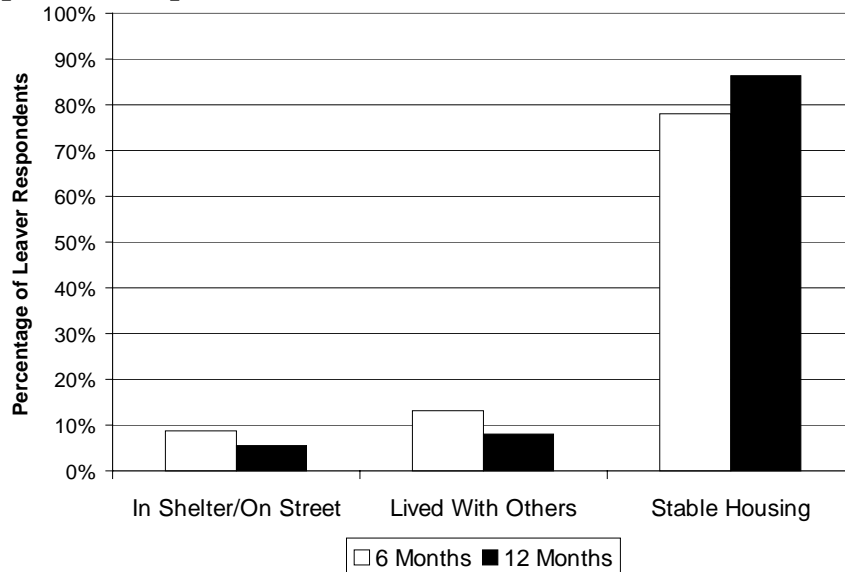
**Housing crowding declines for both groups
from first to second interview**



- Housing conditions are defined to be crowded if the ratio of residents to rooms is greater than one. The room count includes the kitchen, but excludes bathrooms and hallways. This is a standard definition of crowding used by the US Department of Housing and Urban Development.
- Crowding declined for both groups from first to second interview.
- Crowding remains more prevalent among sanction households.

Leavers: Housing Stability

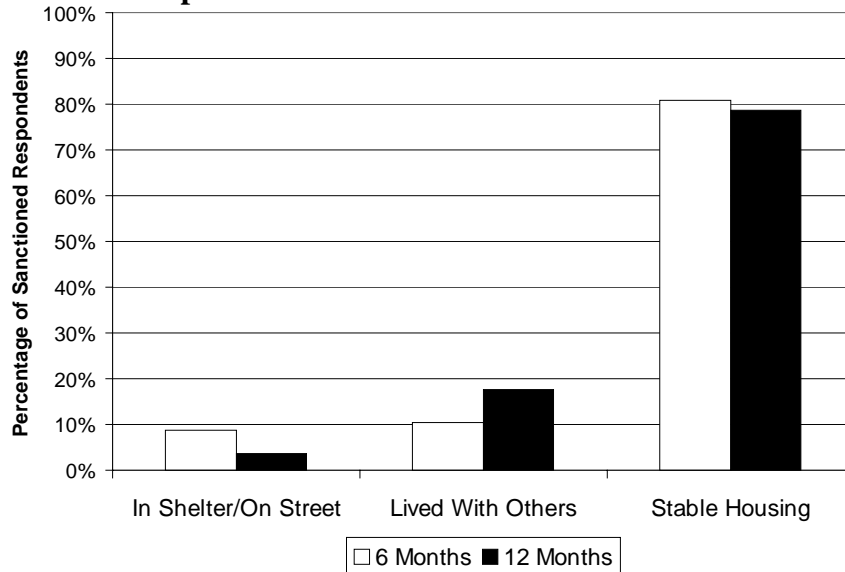
Among leavers, the percentage without permanent housing at some point in the previous 6 months declined from 1st to 2nd interview



- Respondents were asked:
 1. During the past 6 months, did you or your children move in with other people, even for a little while, because you did not have a place to live?
 2. In the past 6 months, have you spent any nights in a homeless shelter?
 3. In the past 6 months, have you spent any nights on the street, or in another place that was not designed for sleeping, such as in a car or vehicle?
- The “In Shelter/On Street” category records the proportion of respondents answering either question 2 or 3 affirmatively. The “Lived with Others” category records the proportion answering negatively to questions 2 and 3, but answering question 1 affirmatively.
- The proportion of leavers with stable housing in the past 6 months increased from first to second interview.

Sanctioned: Housing Stability

The percentage of sanctioned families living on the street or in a shelter in the previous 6 months declined from 1st to 2nd interview



• Respondents were asked:

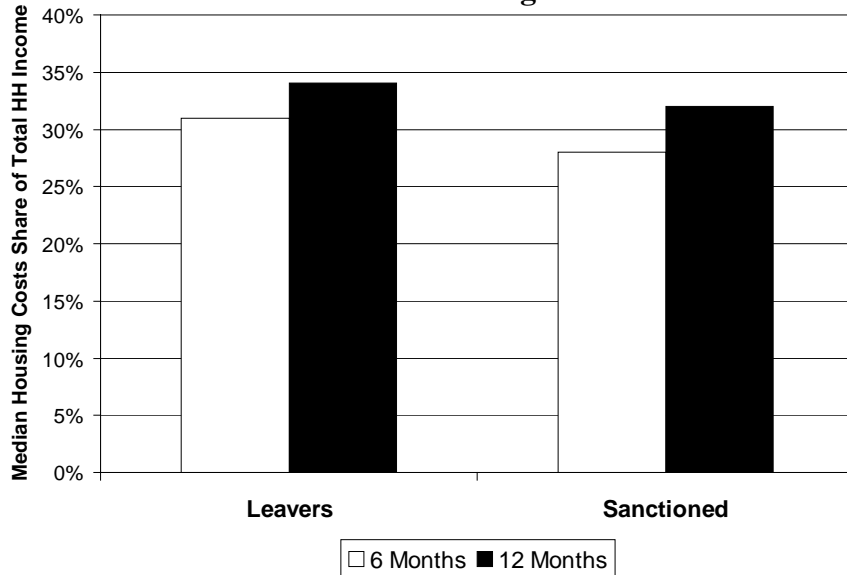
1. During the past 6 months, did you or your children move in with other people, even for a little while, because you did not have a place to live?
2. In the past 6 months, have you spent any nights in a homeless shelter?
3. In the past 6 months, have you spent any nights on the street, or in another place that was not designed for sleeping, such as in a car or vehicle?

The “In Shelter/On Street” category records the proportion of respondents answering either question 2 or 3 affirmatively. The “Lived with Others” category records the proportion answering negatively to questions 2 and 3, but answering question 1 affirmatively.

• The proportion of sanctioned respondents living in a homeless shelter or on the street in the past 6 months increased from first to second interview, although the proportion who moved in with others increased.

Housing Costs Share of Household Income

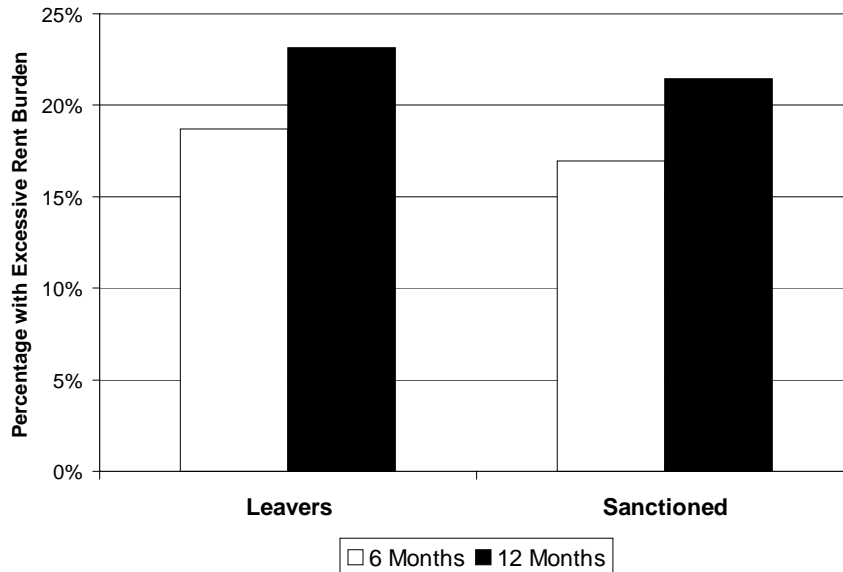
On average, both leavers and sanctioned households spend about a third of their income on housing at second interview



- Median housing costs (rent plus utilities) as a share of household income increased from first to second interview for both subgroups.
- Sanctioned households have a smaller median housing cost share at both first and second interview.
- Note that median household income increased more rapidly than average housing costs in Sonoma county over this period (as measured by increases in HUD fair market rents). Given the improvements observed in the areas of housing quality and housing crowding, this finding may reflect families moving into higher quality and less crowded – but higher cost – housing.

Excessive Rent Burden

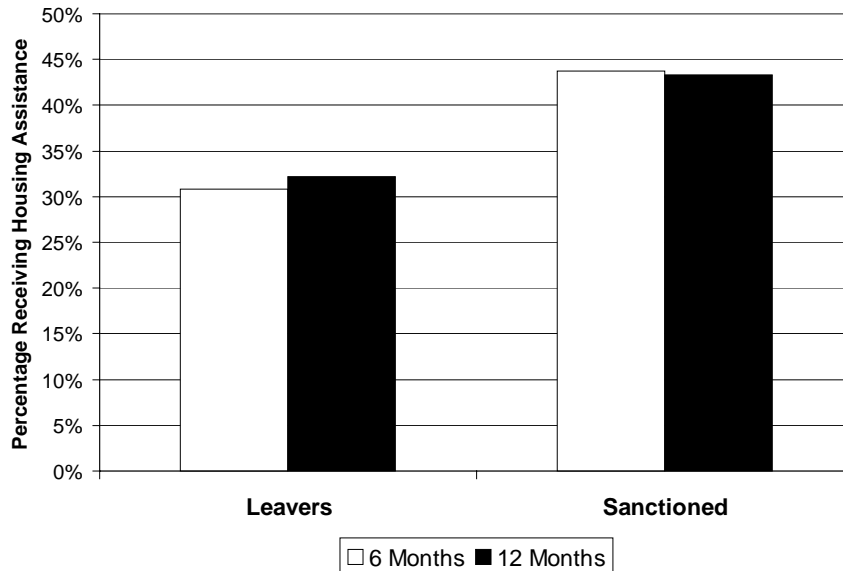
The percentage facing an excessive rent burden increased for each group from first to second interview



- If the sum of rent and utilities is greater than half of total household income, then the household is considered to face an excessive rent burden.
- The proportion of households facing an excessive rent burden increased from first to second interview.

Receipt of Housing Assistance

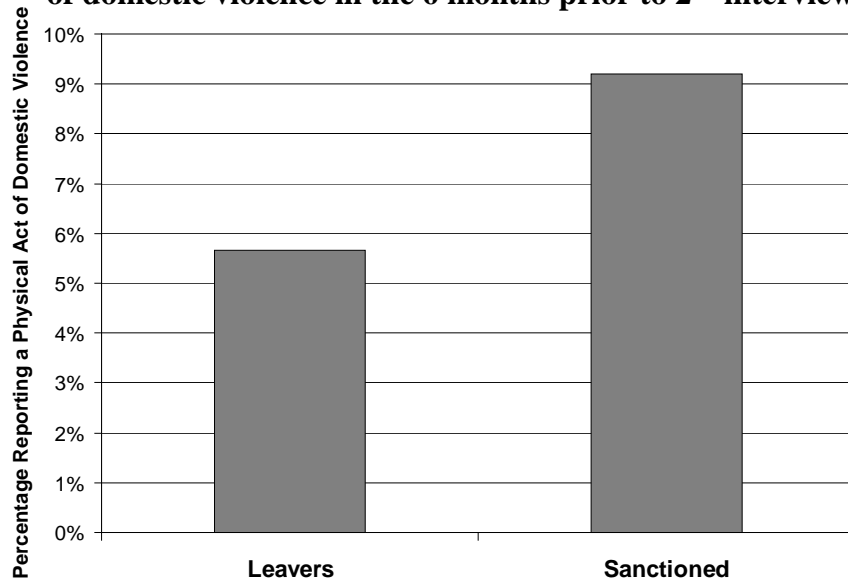
Rates of receipt of housing assistance remained stable from first to second interview



- There was little change in the percentage receiving housing assistance from first to second interview. Sanctioned households continued to receive housing assistance at a higher rate than leavers at second interview.

Domestic Violence at 12 Months

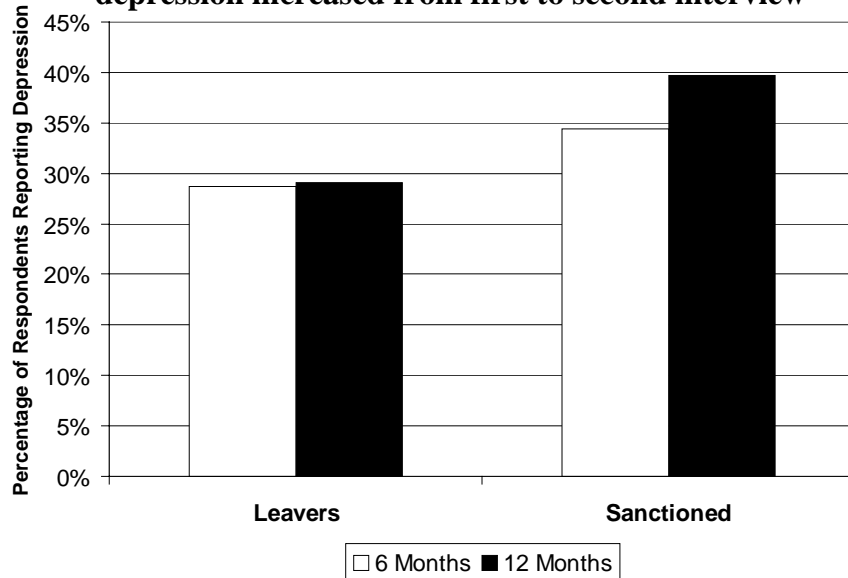
Sanctioned respondents are more likely to report being the victim of domestic violence in the 6 months prior to 2nd interview



- This picture compares the percentage of leaver and sanctioned respondents answering one of the following questions affirmatively at second interview.
- In the past 6 months, has any current or former boyfriend/girlfriend, husband/wife, or partner ever:
 1. Hit, slapped, or kicked you?
 2. Thrown or shoved you to the floor, against the wall, or down the stairs?
 3. Hurt you badly enough that you went to a doctor or a clinic?
 4. Forced you to have sex or engage in sexual activity against your will?
- Questions related to domestic violence in the first interview survey are not directly comparable.

Depression

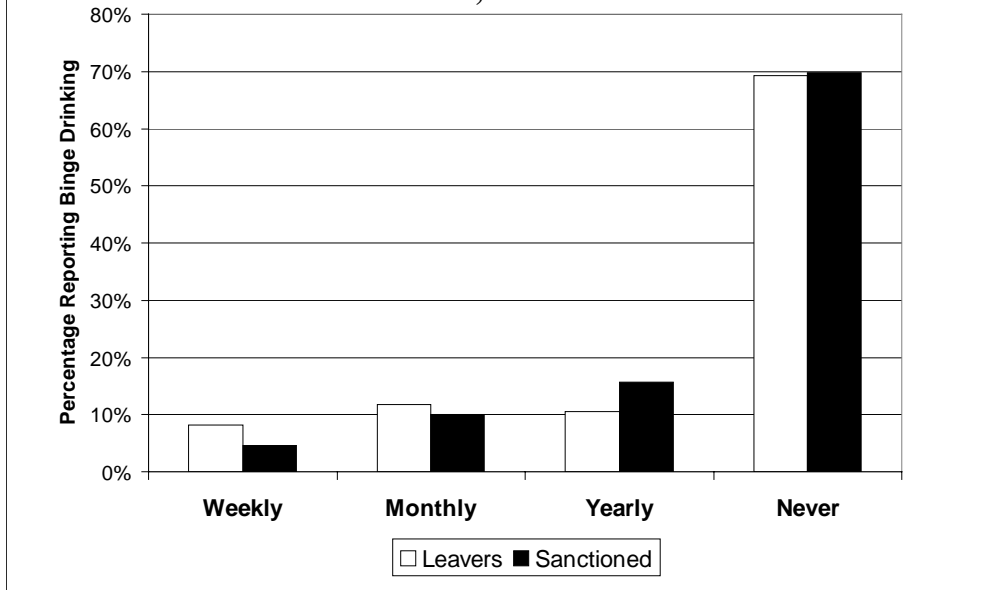
The percentage of sanctioned respondents reporting depression increased from first to second interview



- We asked respondents a series of questions about how they felt or behaved in the past week. If the respondent reported that they felt lonely, depressed, and sad at least 1-2 days in the past week, we considered the respondent to be depressed.
- A higher proportion of sanctioned respondents reported being depressed at each interview, relative to leavers.
- The percentage of sanctioned respondents reporting that they were depressed increased slightly from first to second interview.

Binge Drinking at 12 Months

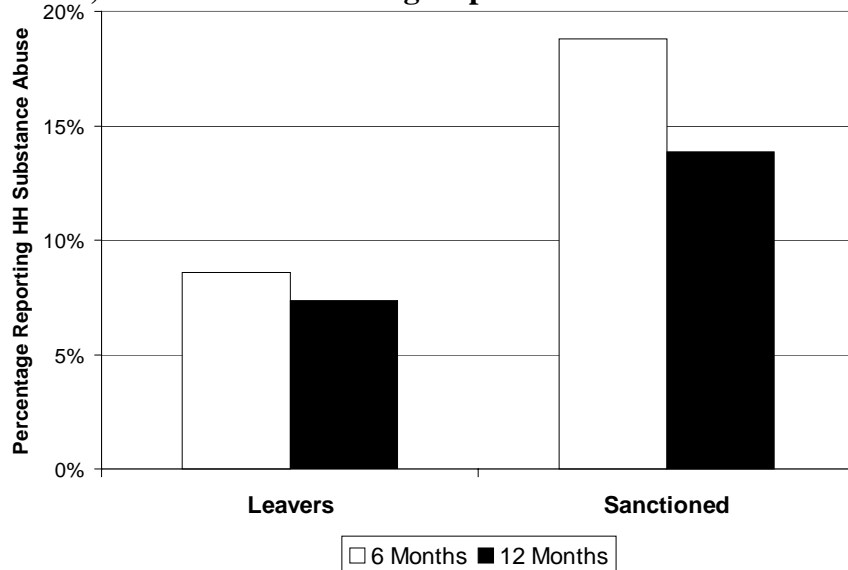
Leavers report a slightly higher rate of binge drinking at second interview, relative to sanctioned



- Binge drinking is defined by the National Institute of Health as consuming 5 or more drinks in one sitting
- Questions on drinking behavior from the two interview rounds are not comparable; therefore we cannot compare changes in the frequency of binge drinking between first and second interview.
- Leavers are somewhat more likely than sanctioned to report weekly binge drinking at second interview.

Substance Use in the Household

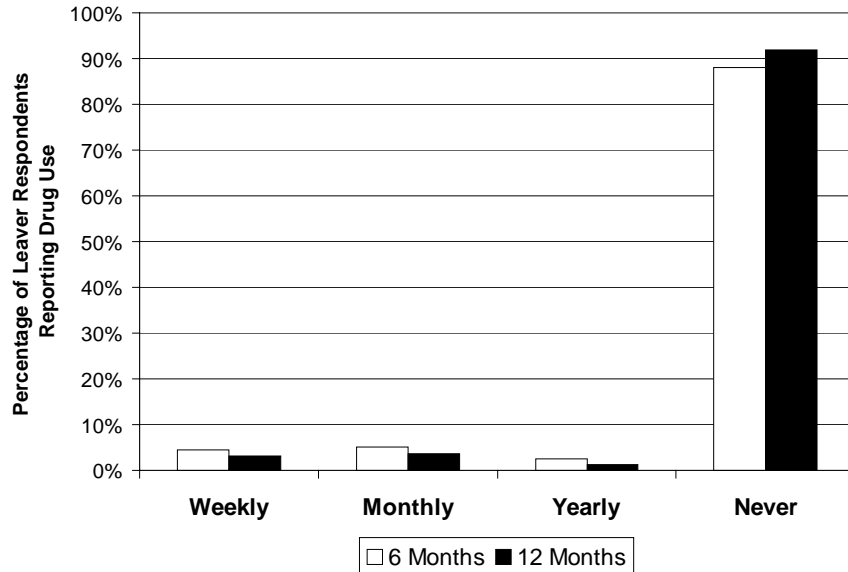
Reported substance abuse in the household is higher for sanctioned families, but declines for both groups from first to second interview



- This figure presents the percentage of each group reporting that:
 1. People have complained about the respondents own drug use, or
 2. Another adult in the household has a problem with alcohol or drugs
- Reported substance abuse declines for both groups from first to second interview, but remains higher for sanctioned households than for leavers.

Leavers: Respondent's Self-Reported Drug Use

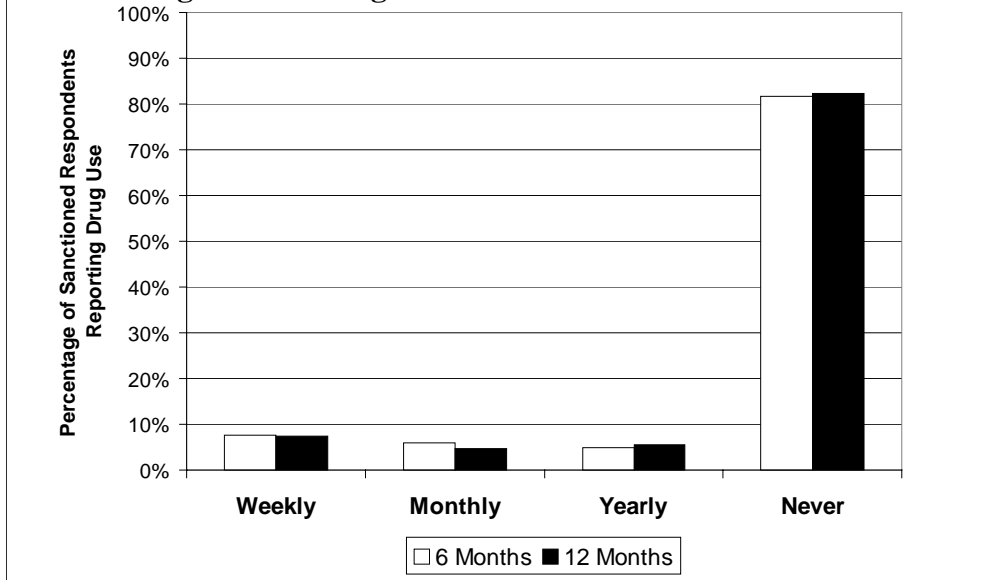
The percentage of leaver respondents reporting drug use declined slightly from first to second interview



- Type of drug was non-specific, and the question lumped together marijuana, cocaine, heroin, amphetamines, and other illegal drugs
- Leavers are substantially less likely to report drug use than sanctioned respondents
- Note: these types of data are usually highly under-reported

Sanctioned: Respondent's Self-Reported Drug Use

Compared to leavers, sanctioned respondents report a high rate of drug use at first and second interview



- Type of drug was non-specific, and the question lumped together marijuana, cocaine, heroin, amphetamines, and other illegal drugs
- Sanctioned respondents are about twice as likely as leavers to report drug use.
- Note: these types of data are usually highly under-reported

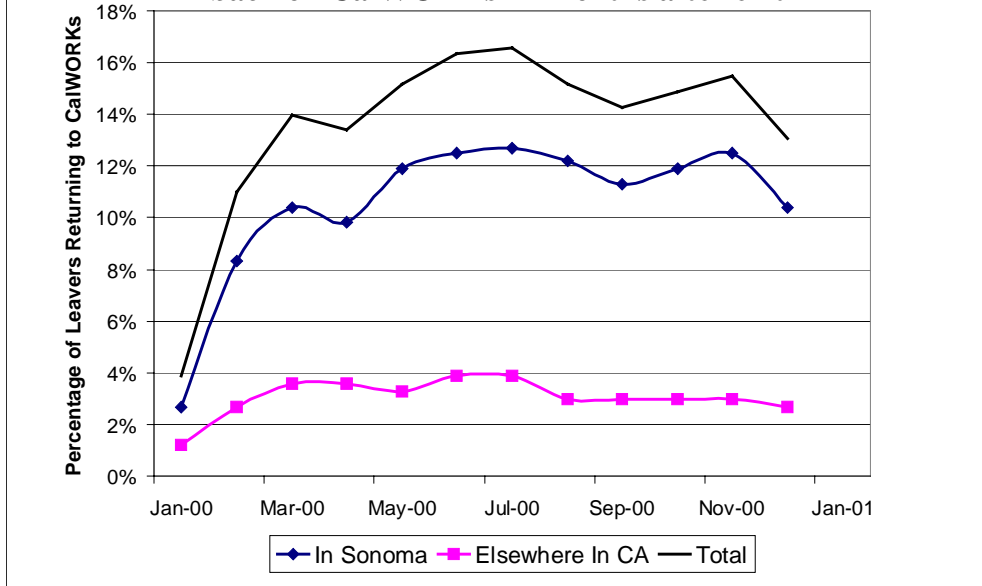
OVERVIEW

- Objectives and Approach
- Circumstances at Exit
- Circumstances 6 and 12 Months After Exit
- • Recidivism
- Non-Compliance
- Summary

•The next set of slides examine differences in characteristics and outcomes between recidivist and non-recidivist leavers.

CalWORKs Recidivism

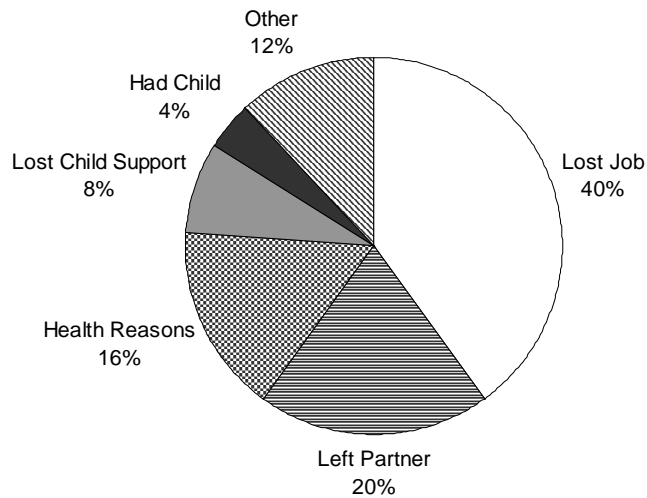
One in seven Sonoma County leavers are back on CalWORKs 12 months after exit



- This graph looks at the percentage of leavers receiving CalWORKs in 2000
- We used statewide MEDS data to look at receipt of cash aid outside of Sonoma county, and county CDS data to track receipt within Sonoma county.
- The recidivism rate measured in administrative data is quite comparable to the rate implied by the survey data (about 16 percent in mid 2000 and 14 percent in late 2000).
- In the exhibits that follow, we compare the characteristics of leavers who were on CalWORKs at the second interview to leavers who remained off aid at the second interview, where aid receipt is measured using survey data.

Reasons for Reapplying for Aid

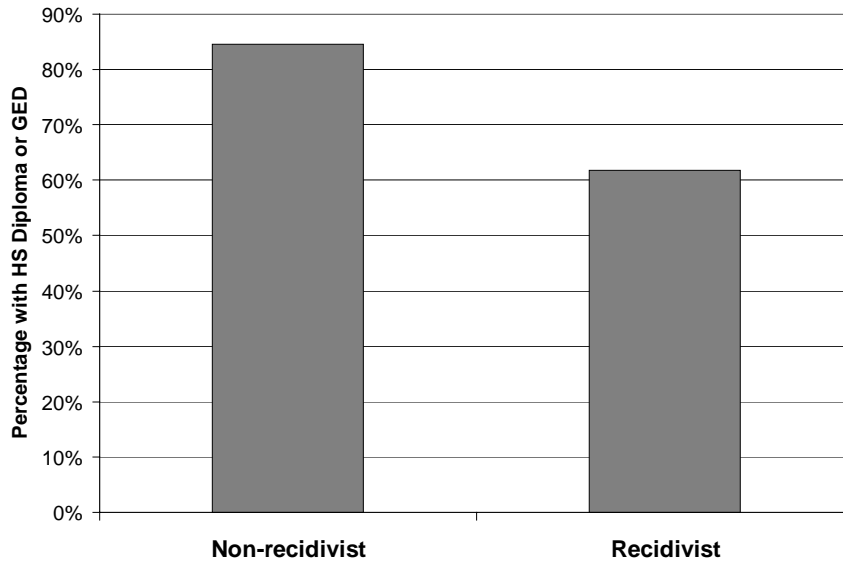
At second second interview, the most common self-reported reason for reapplication was the loss of employment



- Respondents who reapplied for CalWORKs between the first and second interview were asked, in an open-ended question, why they reapplied for assistance. 40% said that they reapplied because they lost their job.
- 60 percent of those who reported that they left their partner said their partner had been violent.

Recidivism: Education

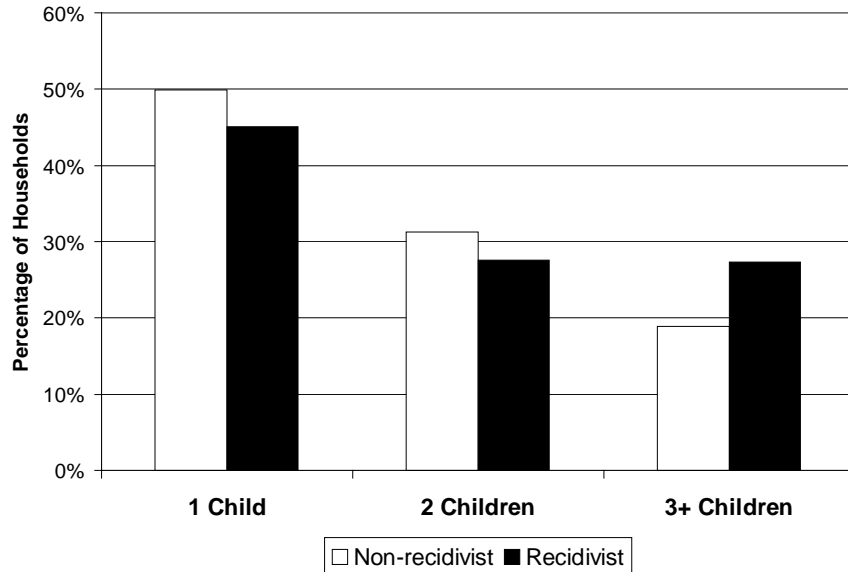
Recidivists are less likely to have high school credentials



- This is the percent of both groups with a high school diploma or a GED.

Recidivism: Number of Children

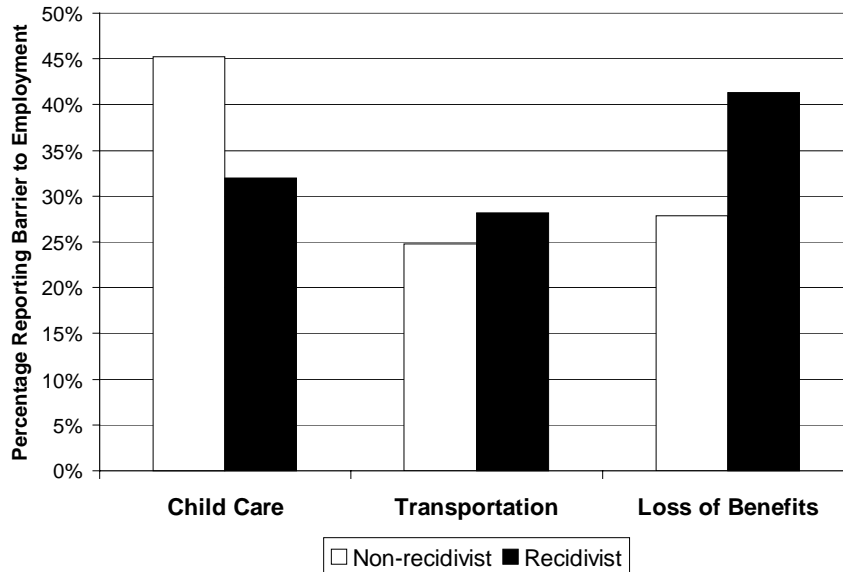
Recidivists are more likely to have three or more children



- Recidivists are more likely to have 3 or more children. However, as we will see in the next slide, recidivists are *less* likely than non-recidivists to report that child care is a barrier to full-time employment at second interview.

Recidivism: Barriers to Employment

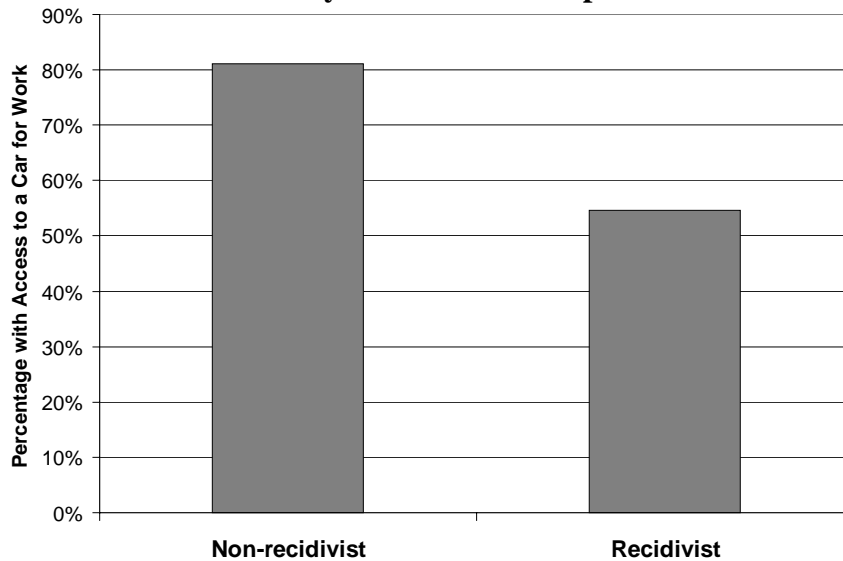
Recidivists at 12 months are less likely to report child care and more likely to report loss of benefits as barriers to full-time employment



- This is in response to a question asking respondents whether child care, loss of benefits, and transportation pose a barrier to leaving aid.

Recidivism: Access to a Car

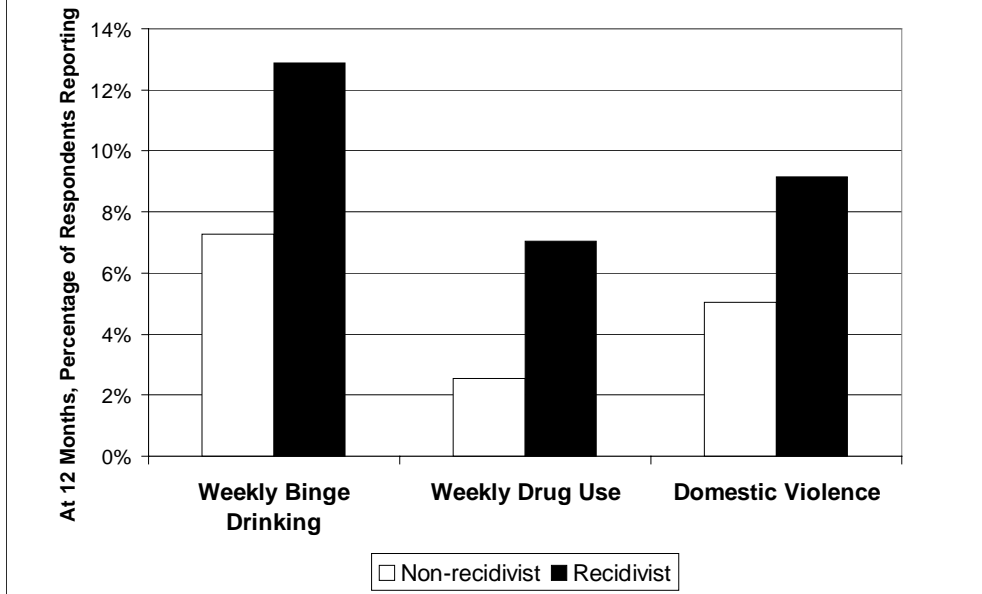
Recidivists at 12 months are less likely to have regular access to a car they can use for transportation to work



- Although recidivists report concerns about transportation at only a slightly higher rate than non-recidivists (see previous slide), recidivists are substantially less likely to have access to a car that they can regularly use for transportation to work.

Recidivism: Substance Abuse and Domestic Violence

Recidivists are more likely to report frequent binge drinking, drug use, and being the victim of a physical act of domestic violence



- Recidivists were also more likely to report depression (34 percent vs. 28 percent of non-recidivist leavers).

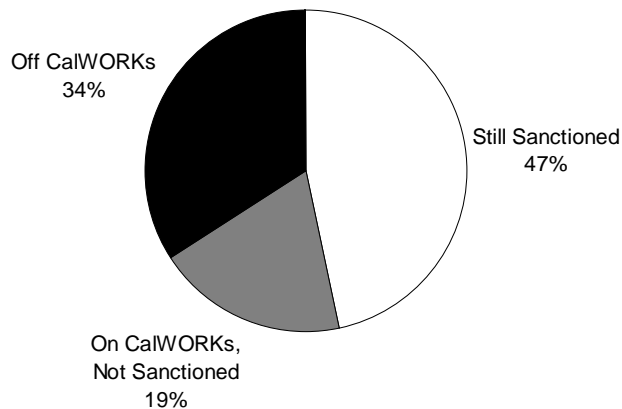
OVERVIEW

- Objectives and Approach
- Circumstances at Exit
- Circumstances 6 and 12 Months After Exit
- Recidivism
- • Non-Compliance
- Summary

•The next set of slides examine differences in characteristics and outcomes between recidivist and non-recidivist leavers.

Sanctioned Status at 12 Months

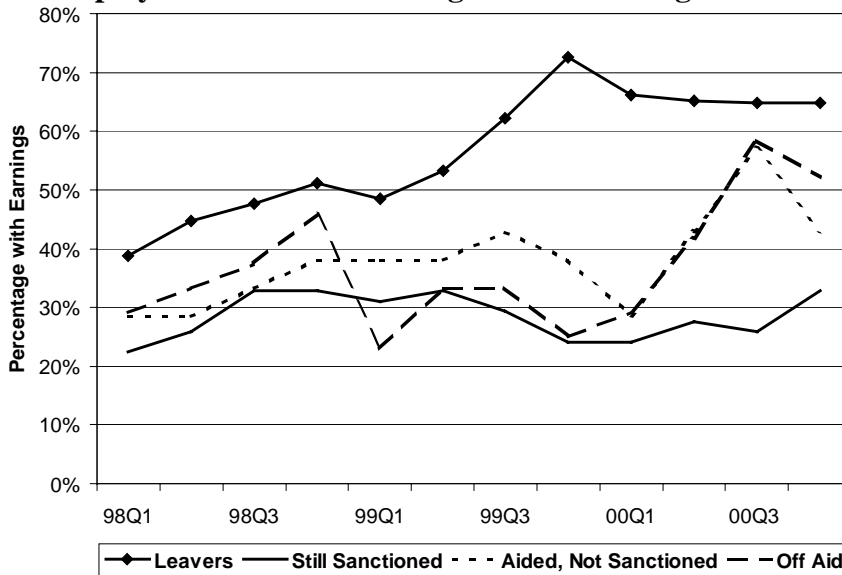
By December 2000, a third of the families in the original sanction population were off CalWORKs, and a fifth remained aided but had corrected their sanction



- We used CDS data to classify the sanction group into three subgroups based on their aid receipt and sanction status in December 2000. 47 percent of these families were still on CalWORKs with at least one adult under sanction. 19 percent were still on CalWORKs, but were not under sanction. 34 percent were off CalWORKs.
- These percentages are almost identical to the percentages reported in the survey data.
- We cross-tabulated sanction status at 12 months with measures of illegal drug use, binge drinking, domestic violence, and depression, to determine whether respondents remaining under sanction were more likely to report these problems. Surprisingly, we found that – compared to those who had corrected – respondents still under sanction were not more likely to report problems in these areas.
- We also compared sanction status with the number of children in the household, and found that respondents still under sanction tended to have more children than those who corrected. 50 percent of those still sanctioned have 3 or more children, compared to only a third of those who corrected. Larger family size may help account for differences in compliance behavior for two reasons: the size of the grant reduction is smaller for larger assistance units, and respondents with more children are more likely to view child care as a barrier to participation in program requirements.

Employment and Earnings

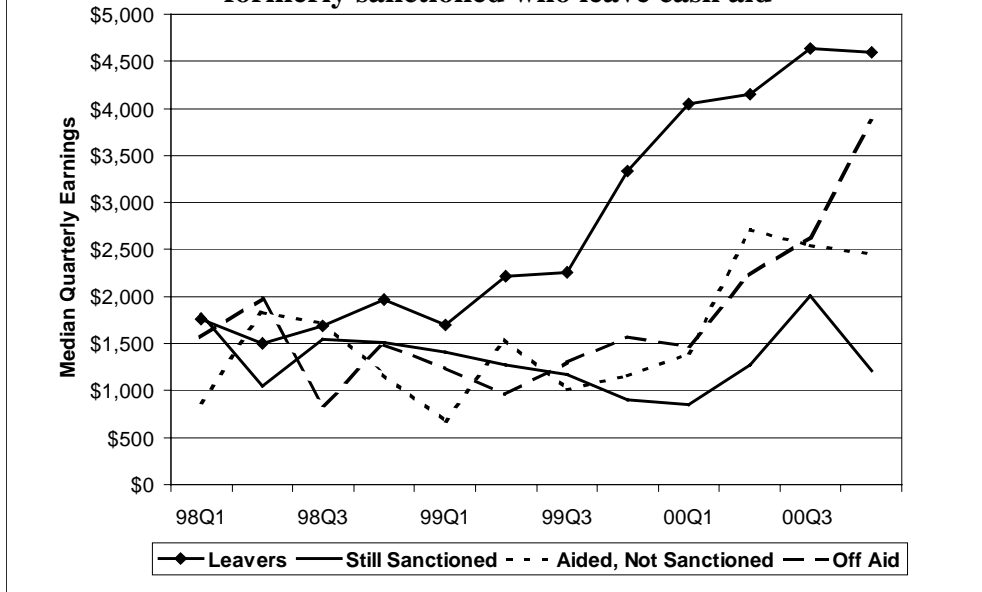
**Although employment rates are highest for leavers,
employment increases among families coming off sanction**



- This picture shows the proportion of each group with earned income among members of the original assistance unit, as measured in quarterly UI wage data.
- The proportion with earnings increased for families coming off sanction in 2000, approaching the levels observed for leavers in 2000Q3.
- The proportion with earnings among families still sanctioned in late 2000 remains very low relative to the other groups.

Employment and Earnings

Average earnings levels rise dramatically for the formerly sanctioned who leave cash aid



- This picture shows median quarterly earnings among families with earned income, as measured in UI wage data.
- Median earnings double for leavers between the quarter before exit (1999Q3) and 2000Q3.
- Note: The earnings data have not been adjusted for inflation, which has been at a level of about 5 percent per year in the SF Bay Area over this time period.

Income Relative to Poverty

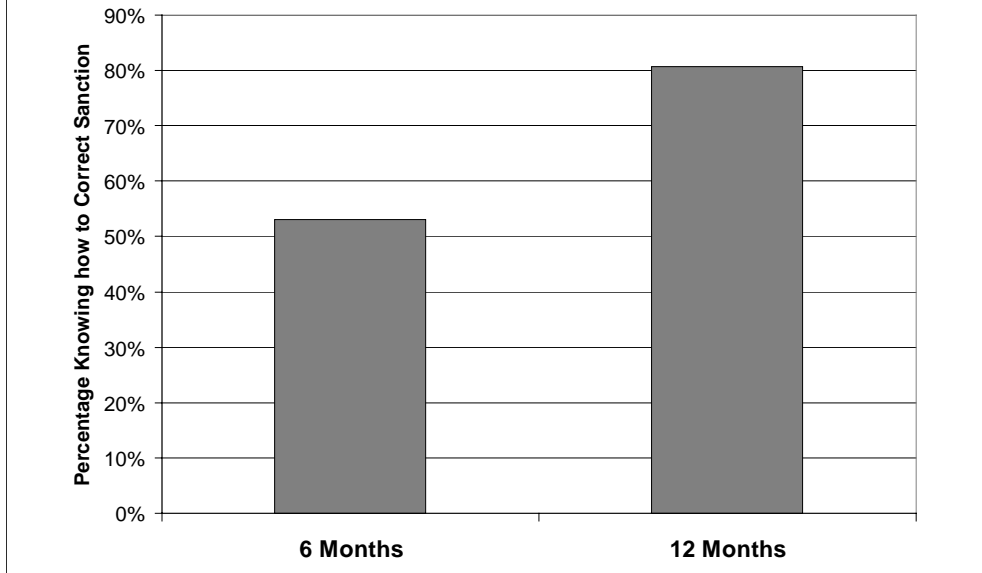
**Families remaining under sanction at second interview
continue to have low income levels**



- Here we compare the median value of household income relative to the Federal Poverty Level for the three sanctioned subgroups.
- Families remaining under sanction at 12 months continue to have low income levels, while families coming off sanction see median income rise above the Federal Poverty Level.

Knowledge of Procedures to Correct Sanction

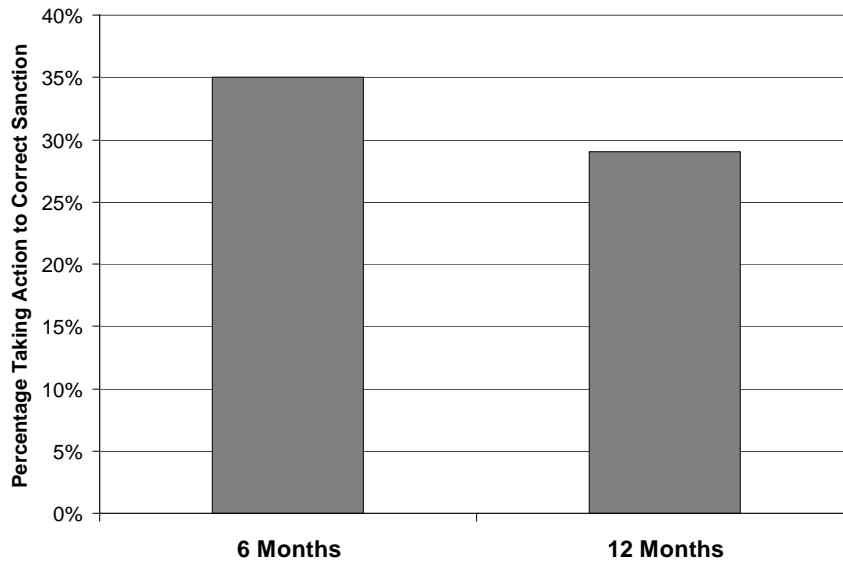
The fraction of respondents remaining under sanction who know how to restore their grant increased from first to second interview



- This is in response to two separate questions asked of respondents under sanction at the first and second interview:
 1. Do you know what you need to do to restore your grant to its original full amount?
 2. What is it you need to do?
- Open-ended responses to the second question were then checked to see whether they could be plausibly interpreted as appropriate actions to correct a sanction.
- At first interview, about 75 percent of respondents currently under sanction *said* they knew how to correct, and about 70 percent of those gave an answer which indicated they *actually* knew how to correct their sanction. The comparable percentages at second interview were 87 percent and 91 percent, respectively.
- Taken together, responses to the two questions indicate that 80% of respondents still under sanction at 12 months know how to correct their sanction, an increase from only 53% of those under sanction at the first interview.

Action to Restore Grant

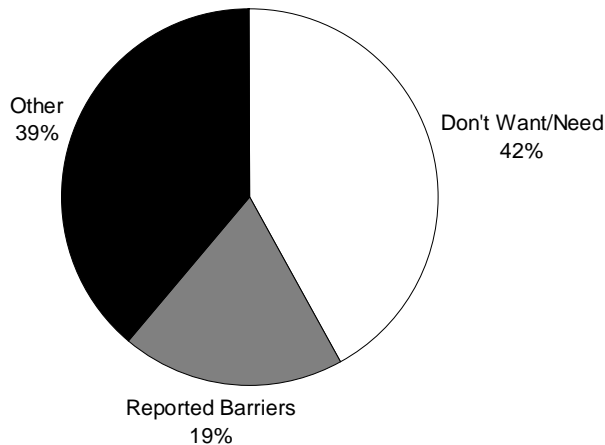
The fraction remaining under sanction who have taken action to restore their full grant decreased from first to second interview



- Respondents remaining under sanction at 12 months were less likely to have ever taken action to try to correct their sanction, compared to respondents who were under sanction at 6 months.
- Thus, although there is greater knowledge of how to correct among respondents sanctioned at 12 months, there appears to be less willingness to take action to restore their grant.

Reason For Not Correcting Sanction

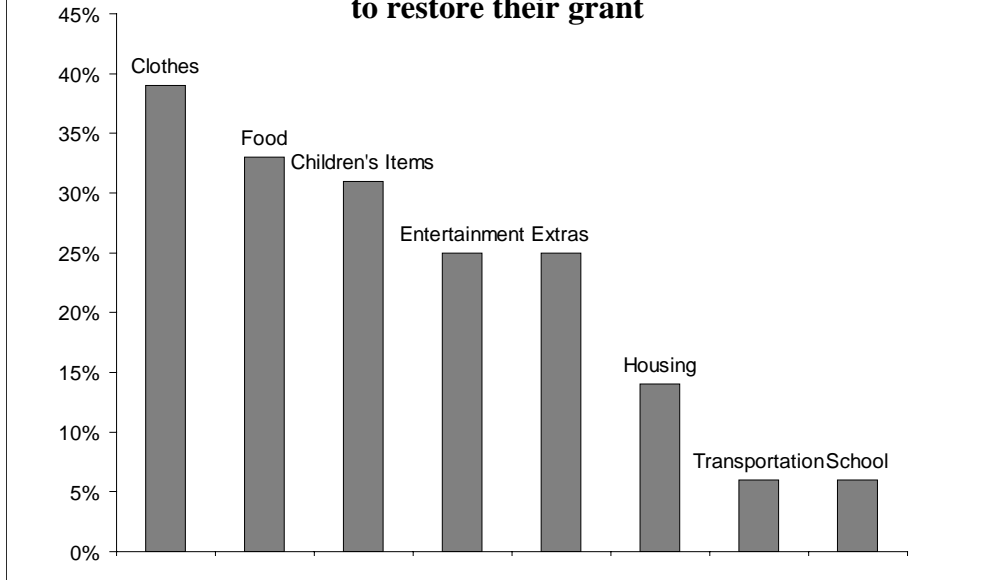
Many respondents still sanctioned at 12 months report that they do not want or need to restore their grant



- Respondents were asked, in an open-ended question, why they had not taken action to restore their grant to the full amount.
- Many reported that they did not want or need to restore their grant to the full amount.
- Reported barriers to compliance included child care, health care (respondent is providing care for a husband or child), transportation, or homelessness.
- Responses in the “other” category included:
 - Cannot correct sanction related to fraud or drug felony – 6%
 - Lacks motivation – 6%
 - Does not know why – 6%
 - Too many hassles – 6%
 - Wants to continue education – 3%
 - Cannot find a job – 3%
 - Did not know she could correct – 3%
 - Has not started the program yet – 3%

Items Sacrificed Due to Grant Reduction

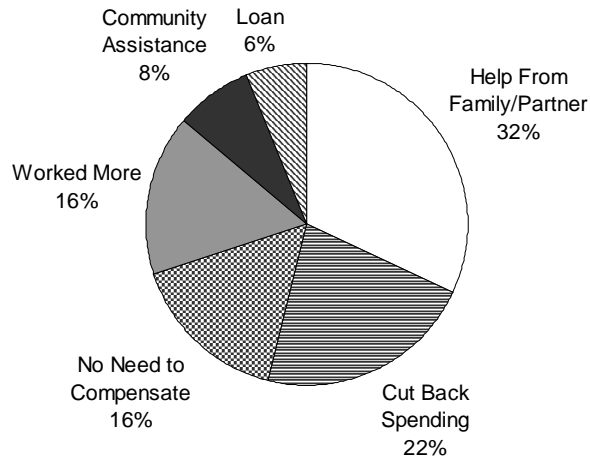
Clothes, food, and children's items are the most common items sacrificed by respondents choosing not to take action to restore their grant



- Respondents reporting that they have not taken action to restore their grant were asked in an open-ended question to identify the items they have had to sacrifice due to the grant reduction. Respondents could identify multiple items.
- This slide is based on 12-month interview responses.
- 29% reported making no sacrifices.
- Clothes, food, and children's items were the most commonly reported items.
- The children's item category includes toys, birthday presents, diapers, etc.
- The housing category represents changes in living arrangements (e.g., moved in with parents, had to find an apartment with lower rent), as opposed to homelessness.

Steps Taken to Compensate for Sanction

Sanctioned respondents most commonly compensate for the grant reduction by receiving help from their family/partner or cutting back spending



- Respondents were asked, in an open-ended question, how they compensated for the loss of income due to their grant reduction.
- This slide is based on 12-month interview responses.
- Receiving help from their family or partner was the most common method of compensation.

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Summary: Changes in Circumstances

- Conditions Improving
 - ▶ Higher income relative to poverty
 - ▶ Higher household earnings
 - ▶ Fewer uninsured
 - ▶ Less crowded housing
 - ▶ Better housing quality and stability
 - ▶ Fewer child problem behaviors
 - ▶ More stable child care arrangements
 - ▶ Less household drug use

This slide summarizes the major outcomes showing positive trends for both leavers and sanctioned households.

Summary: Changes in Circumstances

- Conditions Staying About the Same
 - ▶ Respondent work activity
 - ▶ Respondent drug use
 - ▶ Food Stamps take up
 - ▶ Awareness of child care subsidies
 - ▶ Use of the EITC
- Conditions Deteriorating
 - ▶ Increased rent burden

This slide summarizes the major outcomes staying about the same or deteriorating from first to second interview for both leavers and sanctioned households.

Summary: Changes in Circumstances

- More conditions are improving for both leavers and sanctioned
- Median income for leavers increased to 127 percent of federal poverty level at second interview
- 71 percent of leavers and 50 percent of sanctioned are above federal poverty level at second interview

Summary: Recidivism

- Only 1 in 7 leavers are back on CalWORKs at second interview
- Job loss is the most commonly reported reason for reapplying for aid
- Recidivists report more problems with:
 - ▶ Binge drinking
 - ▶ Drug use
 - ▶ Domestic violence
 - ▶ Depression

Summary: Non-Compliance

- 53 percent of sanctioned respondents corrected by December 2000
- 64 percent of those who corrected had left CalWORKs by December 2000
- Average household income increased substantially for respondents who corrected
- Families remaining under sanction have low income relative to poverty

Summary: Non-Compliance

- Sanctioned households report higher rates of substance abuse, domestic violence, and depression than leavers
- Although more sanctioned respondents are aware of how to correct at second interview, most have not recently taken action to restore their grant