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Welfare Caseload Trends in Washington State, 1997-2000: Analysis of Long-Term Welfare Use and the Approaching Time Limits

EXECUTIVE SUMMARY

Passage of the federal Temporary Assistance for Needy Families (TANF) block grant in 1996 established new participation and work requirements for families receiving welfare benefits. The 1996 legislation also stipulates that states may not use federal funds to provide TANF benefits to eligible adults beyond five years.

The first welfare recipients in Washington State will reach the five-year limit in August 2002. This paper analyzes the following questions:

1. How has Washington's welfare caseload changed over time? Has the duration of time that clients' stay on welfare changed since 1997?

- ✓ Washington State's welfare caseload declined significantly (40 percent) between 1997 and 2000 but has leveled off since early 2000.
- ✓ A smaller percentage of recipients are remaining on welfare continuously. The average length of the current welfare stay is 18 months. Prior to 1997, clients stayed on the caseload for an average of 28 months at a time.
- ✓ The welfare caseload is now composed of more recipients who cycle on and off the caseload now than when WorkFirst began.

2. What are the factors associated with long-term stays on welfare?

- ✓ Previous welfare history, low education, and each additional child in the household **increase** the likelihood of remaining on welfare.
- ✓ Work experience, additional income sources (such as child support), and living with other adults **decrease** the likelihood of long-term welfare stays.

3. How many families may initially reach the five-year time limit?

- ✓ Approximately 7,600 adults are estimated to be at high risk of reaching the five-year TANF time limit between August 2002 and July 2003. The number of high-risk adults represents 13 percent of the *current* welfare caseload.

4. What are the characteristics and circumstances of clients at risk of reaching the time limit, and how do they differ from the general welfare population?

- ✓ Compared with the rest of the caseload, clients at risk of reaching the time limit have significantly higher rates of reported health problems. However, they do not report substantially more problems with literacy or learning difficulties, substance abuse, family violence, legal issues, child care, transportation, or housing.
- ✓ All WorkFirst clients, including those at high risk of reaching the time limit, have spent over half their time (60 percent) since starting WorkFirst in non work-related activities.

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