

Cash Assistance Across Western Kentucky

Julie N. Zimmerman and Matthew Renfro-Sargent

Since welfare reform began we have heard a lot about the declining number of welfare recipients. However, these declines have not been shared equally everywhere and the face of welfare does not always look just the same in all places.

This is the third of five Issue Briefs using a unique database to examine the changes in K-TAP cases across Kentucky since welfare reform, focusing on that part of the caseload most affected by the new requirements.

Dr. Zimmerman is an assistant extension professor and Matthew Renfro-Sargent is a Ph.D. student in the Department of Sociology at the University of Kentucky

While cash assistance caseloads had begun to decline even before the new welfare reform legislation, observers debate to what degree these declines are because of the policy changes or due to the growing economy. But welfare reform nationally also brought a 5-year lifetime time limit to access cash assistance regardless of need and a cap on federal funding to the states. Consequently, nearly from the start, there have been concerns about the prospects in case of an economic downturn (see “*Policies and People: Welfare Reform in Kentucky*”).

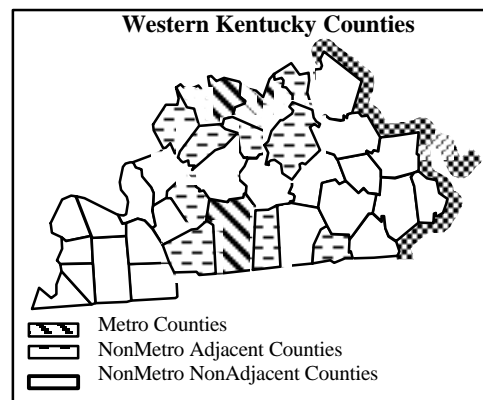
With its focus on employment, welfare reform highlights some of the unique challenges and opportunities facing many areas, especially rural areas. And, for those areas which have not been seeing the same high rates of decline in their cash assistance caseloads, this is raising concerns about the impact and future prospects of welfare reform especially in those areas with fewer employment opportunities to begin with.

In this *Issue Brief*, we examine the face of cash assistance across Western Kentucky; who is receiving assistance, and has it been changing since welfare reform. As part of our series, this is one of three *Issue Briefs* which examine K-TAP cases within each of the three regions of the state.

A New Database

As part of the state evaluation effort, researchers at the University of Louisville have been working with the Cabinet for Families and Children to produce a data set which is being used to assess welfare reform across the state. This database is called the Research and Evaluation Data Base (REDB) and is unique for many reasons. Among them, is that this data set contains only those cases that either are (or were) subject to the work requirements under welfare reform.

With this focus, we can gain a greater understanding of those families facing the new requirements and the impacts of welfare reform on the K-TAP caseload. Using the REDB database, we extracted the caseloads for all 120 counties during the month of October for each year from 1996 (earliest available) to October 1999. To learn more about this database and how we grouped the counties, see “*After Welfare Reform: K-TAP Cases Across Kentucky.*”



Location, Location, Location

Of the three regions in Kentucky, the Western region is in some ways a complex picture. Local economies across this region are very diverse. Here, all of the metro areas are small, draw on neighboring states, and are distributed around the region. Many of the rural areas are not only adjacent to these small metro areas, but many areas are also tied to neighboring states. And, while Bowling Green in Warren County is currently classified as a nonmetro nonadjacent county, with the growing population there, it is getting closer to crossing over and being classified as a metro area.

Just as the population in the region is predominantly rural, so too is the K-TAP caseload within Western Kentucky a predominantly rural caseload. Of the K-TAP cases included in our

employment, total population, and K-TAP families in our database, we begin to see some patterns. For instance, in metro areas there is a higher percent of all employment compared to both the population living there as well as the percent of K-TAP families in our database (see figure 1).

By contrast, in the rural areas (NonMetro NonAdjacent), we can see a slightly different picture. Here, there is a higher proportion of K-TAP families in our database compared to the area's share of employment.

Declining Caseloads

While caseloads have been declining, as with the state as a whole, these declines are not happening at the same rate in all places (see figure 2).

Overall, the number of K-TAP cases in our database has been cut in half in the Western region. While metro areas saw a rate of decline slightly above that for the region as a whole, there are important differences among rural areas in the region. While those rural areas that are

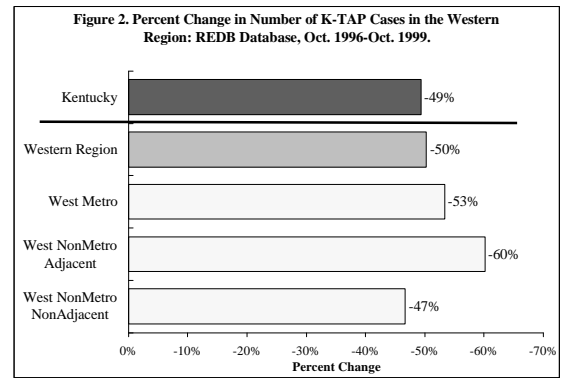
adjacent to a metro area have the smallest proportion of K-TAP families, it has seen the greatest rate of decline. In addition to the small numbers, this is probably due in part to their proximity to the metro areas.

For rural areas that are not next to a metro area, the rate of decline is the lowest in the region. Still, this rate of decline is just two percentage points lower than the state as a whole.

database, 3/4ths in this region are located in rural areas with a majority of these located in the most rural areas (NonMetro NonAdjacent).

With welfare reform's focus on employment, the tie to where you live may be stronger than ever before. And, just as barriers and opportunities are not evenly distributed across the state, the same is true within the regions.

When we look within Western Kentucky at the shares of total



Families and Children

While welfare reform has placed its key emphasis on adults and their employment, across the nation around 2/3rds of all cash assistance recipients are children.

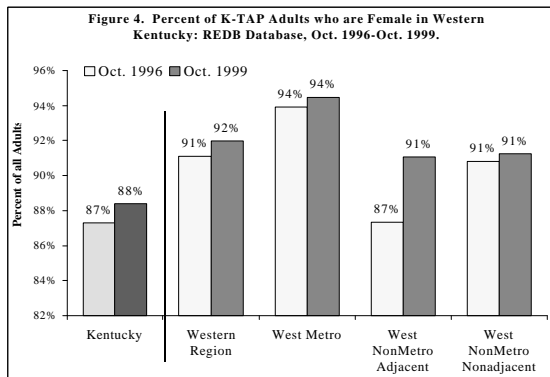
For Kentucky, the percent of recipients who are children increased by one percentage point. In the Western region, only rural areas saw a one percentage point increase in the share of recipients who are children.

The largest change is in the proportion of children below school age who are infants (see figure 3). As elsewhere, while the proportion of children who are below school age declined in the Western region (1 percentage point), infants are making up a greater share of these children.

In Oct. 1996, 33% of all children in our database who were below school age were infants. By Oct. 1999 this had increased to 38%. The greatest increase in the share of children below school age

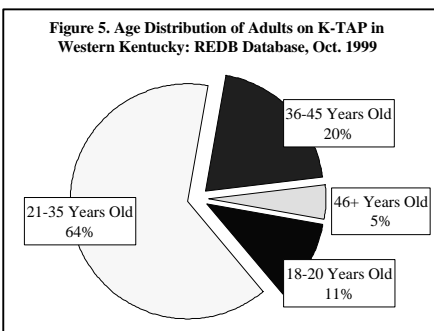
who were infants was in the most rural areas (increasing nearly 6 percentage points), while the lowest amount of increasing share was in the metro areas (increasing almost 4 percentage points).

Similar to caseloads nationwide, about 1/3rd of all cash assistance recipients in our database are adults. And, overwhelmingly, the majority of adults receiving assistance are women (see figure 4).



While our database does not tell us how many families are headed by 1 or 2 adults, we do know that it is relatively rare for men to be the single caregiver of children in families receiving assistance. As a result, it is most likely that the number of males probably reflects the extent of two adult households.

In the Western region, as elsewhere, the share of adults in our database who are male has decreased. This also means that the proportion who are women has increased. From Oct. 1996 to Oct.



1999, the greatest change was in the nonmetro adjacent areas in the region.

Adults, Employment, and Employability

With welfare reform’s focus on employment, it is important to know more about the adults in families receiving assistance. For instance, women face a different labor

market and are more likely to be employed in lower paying jobs than their male counterparts.

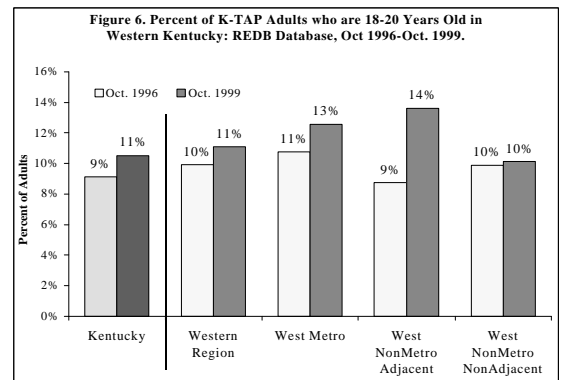
Age can also affect employment. The older you are the more time you have had to gain prior work experience, complete some education, and your children are more likely to be older. All of these can

increase your ability to become employed.

Of all adults in families receiving assistance in our database, in all three regions the majority are between 21-35 years old (see figure 5). While this remains the largest category, since welfare reform, the proportion of adults ages 18-20 is increasing (see figure 6). This may reflect that the most employable are able to leave assistance.

While the stereotype is that those receiving cash assistance are not employed, this is not the case. You can be employed but because the hours or wages (or both) are so low, you remain eligible for cash assistance.

With welfare reform’s focus on employment, as you might expect, the proportion of adults in

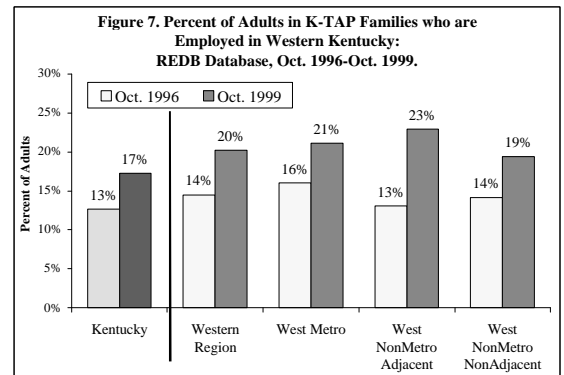


our database who are employed has increased.

In the Western region, the proportion of adults in our database who are employed has increased from 14% to 20% from Oct. 1996 to Oct. 1999 (see figure 7). The greatest increase was in the rural areas that are adjacent to urban areas (NonMetro Adjacent).

Food Stamps and Child Support

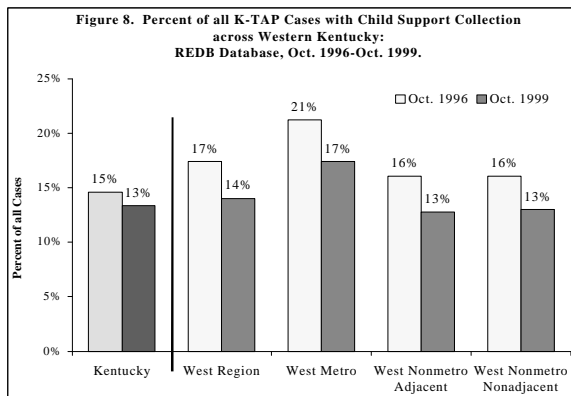
While much of welfare reform’s focus is on employment, there is also concern that the well-being of families not be jeopardized in the process. And,



since the majority of families on assistance are female-headed households, some attention has been directed at fatherhood and child support.

While in Kentucky (as in some other states), child support payments do not provide a source of income in addition to cash assistance, it does indicate a level of support from noncustodial

parents (most often fathers). And, upon exiting cash assistance, child support would provide additional support for the family.



In the West the overall proportion of K-TAP cases with child support collection has decreased. Like that for the state as a whole, within Western Kentucky there was a greater proportion of K-TAP cases in metro areas with child support collection than in the nonmetro areas (both nonmetro adjacent and nonmetro nonadjacent).

While the proportion of K-TAP families with child support collection has generally been decreasing, the proportion with court ordered child support collection has been increasing.

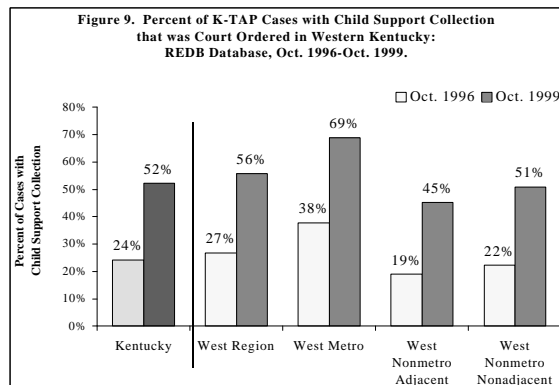
In Western Kentucky, the percent of cases with court ordered child support collection increased from 5% to 8% of all K-TAP cases. If we just look at cases with child support collection, this means that cases with court ordered collection went from 27% to 56% of cases with child support collection. Within Western Kentucky, metro areas had a higher share of cases with court ordered child support collection compared to rural areas.

These patterns and changes may reflect the coming together of several trends; increased attention to child support, the location of employment opportunities across the state as well as the tendency of caseloads to be increasingly characterized by those with the most barriers to employment.

Another indication of the well-being of families may be found in the extent to which families are also

accessing medical assistance and food stamps. While not all states do this, in Kentucky all K-TAP recipients automatically receive a medical card.

In terms of food stamps, we can see some changes since



welfare reform. For instance, in our database there is now a higher proportion of K-TAP families who are receiving food stamps than before, increasing from 87% in Oct. 1996, to 92% by Oct. 1999.

Within the region, in Oct. 1999, a slightly larger proportion of K-TAP cases in metro areas were receiving food stamps (96% compared to 90% in nonmetro adjacent areas and 92% in the most rural areas of nonmetro nonadjacent).

The increasing proportions of cash assistance cases receiving food stamps probably reflects that those remaining on assistance may be those with greater needs as the most employable have been leaving.

Conclusion

With both welfare reform and an overall favorable economy, the face of cash assistance is changing. However, these changes do not necessarily look the same for all areas.

In 2002, Congress will decide whether to reauthorize the federal welfare reform legislation. In making this decision (and in deciding to make any changes), Congress will be holding hearings. During this time we will be learning more about welfare reform and how it has been working or not working. Hopefully, we will also hear about how those in rural and persistent poverty communities have been faring. As a result, we may better know what the future may hold for welfare reform.

Works Cited

- “The Changing Face of Cash Assistance Across Kentucky” *Rural Issues Brief*. No. 4. November, 2000.
- “After Welfare Reform: K-TAP Cases Across Kentucky” *Rural Issues Brief*. No. 3. November, 2000.
- “Counting Cases Across Kentucky: Declines in Cash Assistance 1993-1997.” *Rural Issues Brief*. No. 2. April, 2000.
- “Policies and People: Welfare Reform in Kentucky.” *Rural Issues Brief*. No. 1. December, 1999.

The authors gratefully acknowledge the Cabinet for Families and Children and the University of Louisville for providing access to the REDB Database.

This research and publication were made possible through a Policy Outcome Research Grant with the U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation.