

CALIFORNIA BUDGET PROJECT

# CalWORKs 101: Key Facts About California's Welfare- to-Work Program

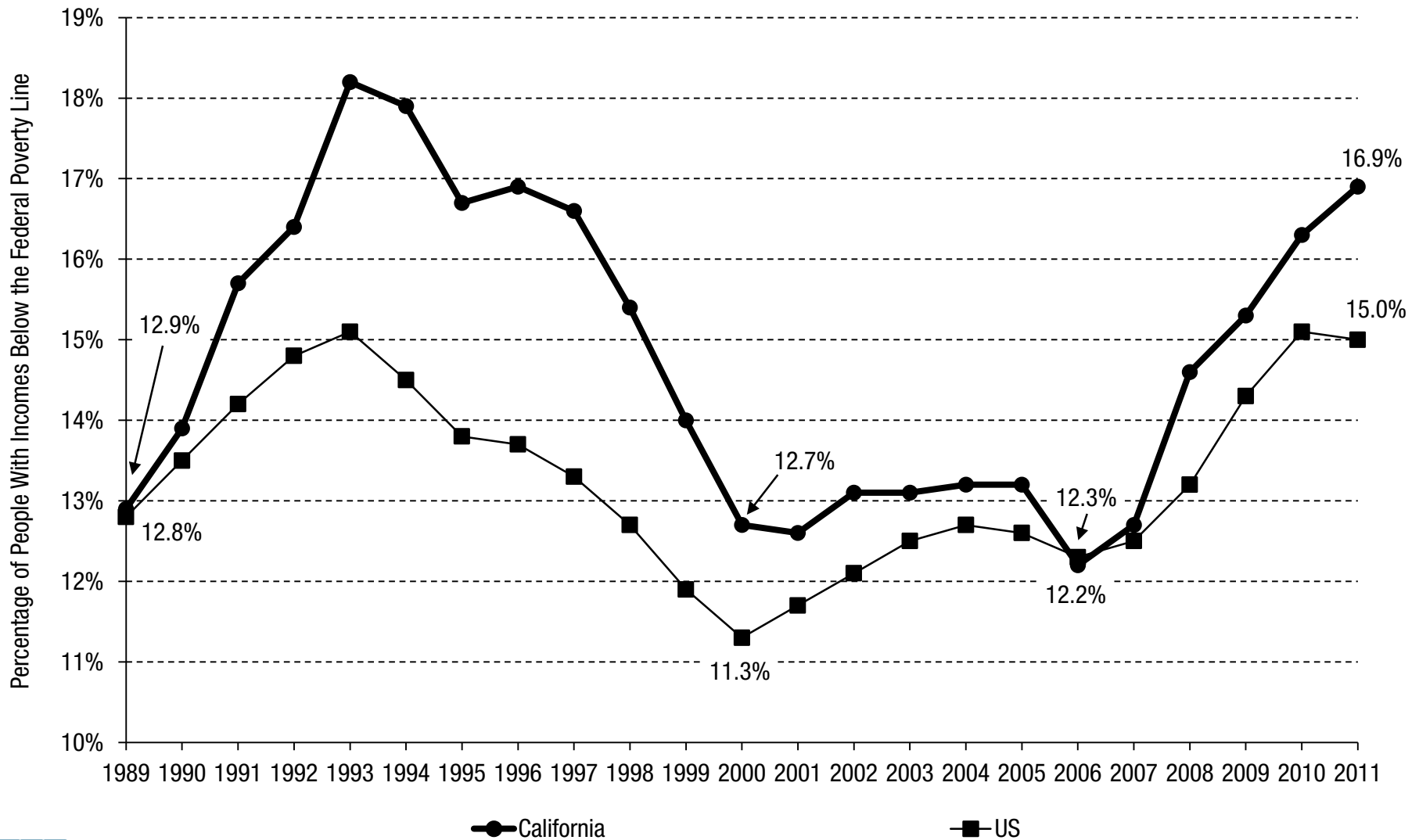
1107 9th Street,  
Suite 310  
Sacramento,  
California 95814  
(916) 444-0500  
[www.cbp.org](http://www.cbp.org)  
[cbp@cbp.org](mailto:cbp@cbp.org)

A PRESENTATION BY  
SCOTT GRAVES, SENIOR POLICY ANALYST  
November 2012

# First, Some Context

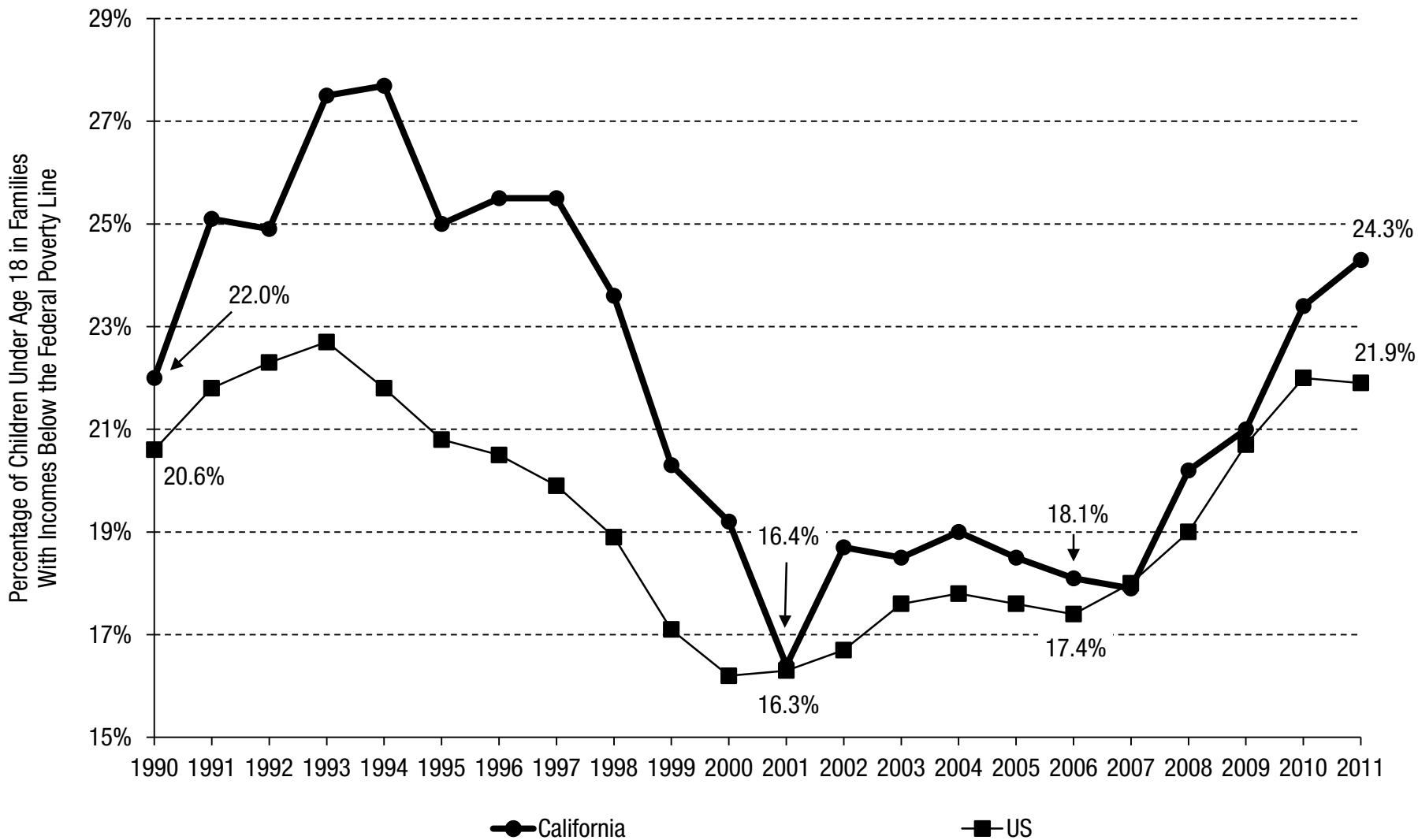
# As a Result of the Great Recession, Poverty Has Increased Dramatically

## Approximately One Out of Six Californians Were Living in Poverty in 2011 Change in California's Poverty Rate Between 2010 and 2011 Was Not Statistically Significant



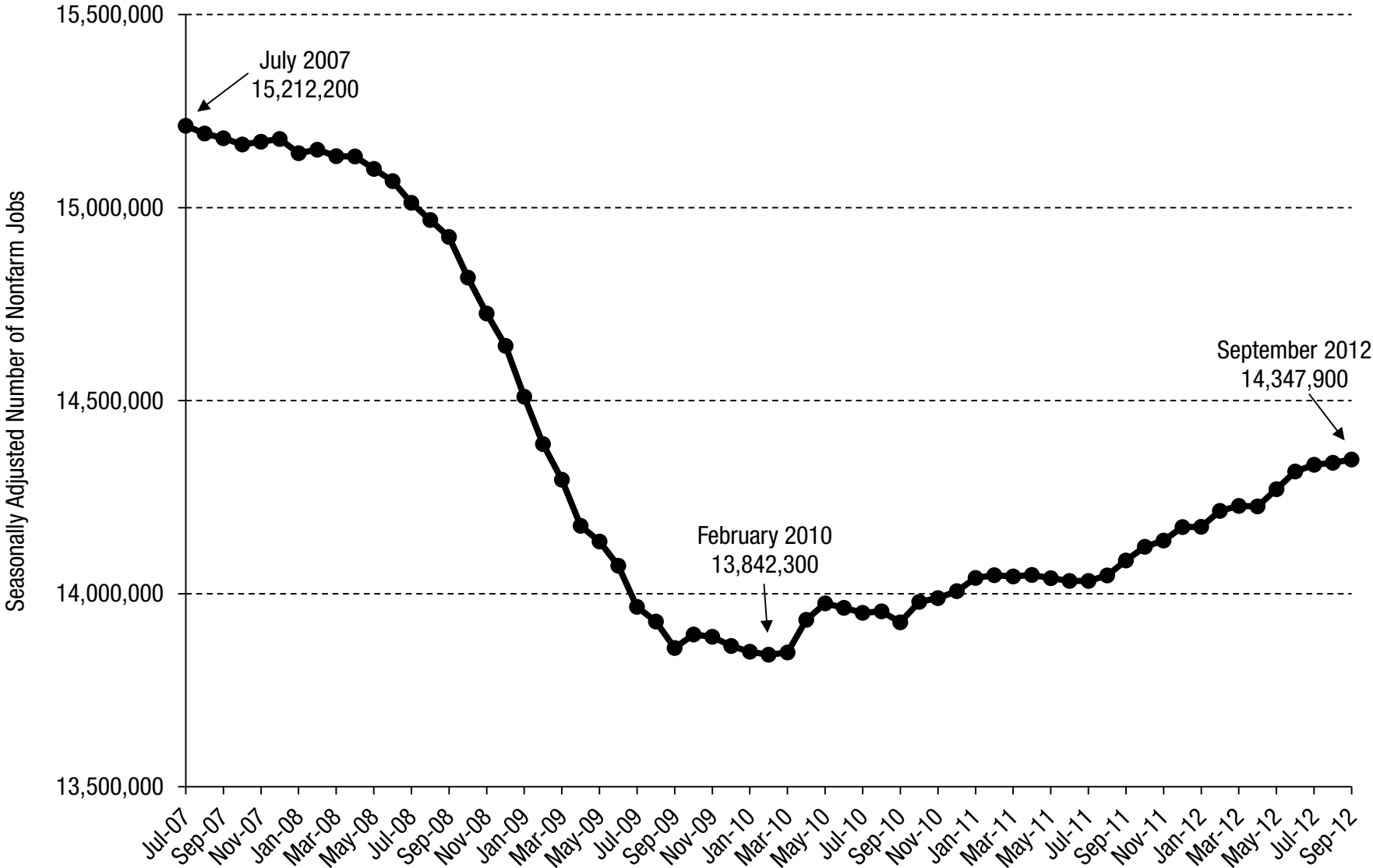
# Nearly One Out of Four California Children Were Living in Poverty in 2011

## Change in California's Child Poverty Rate Between 2010 and 2011 Was Not Statistically Significant

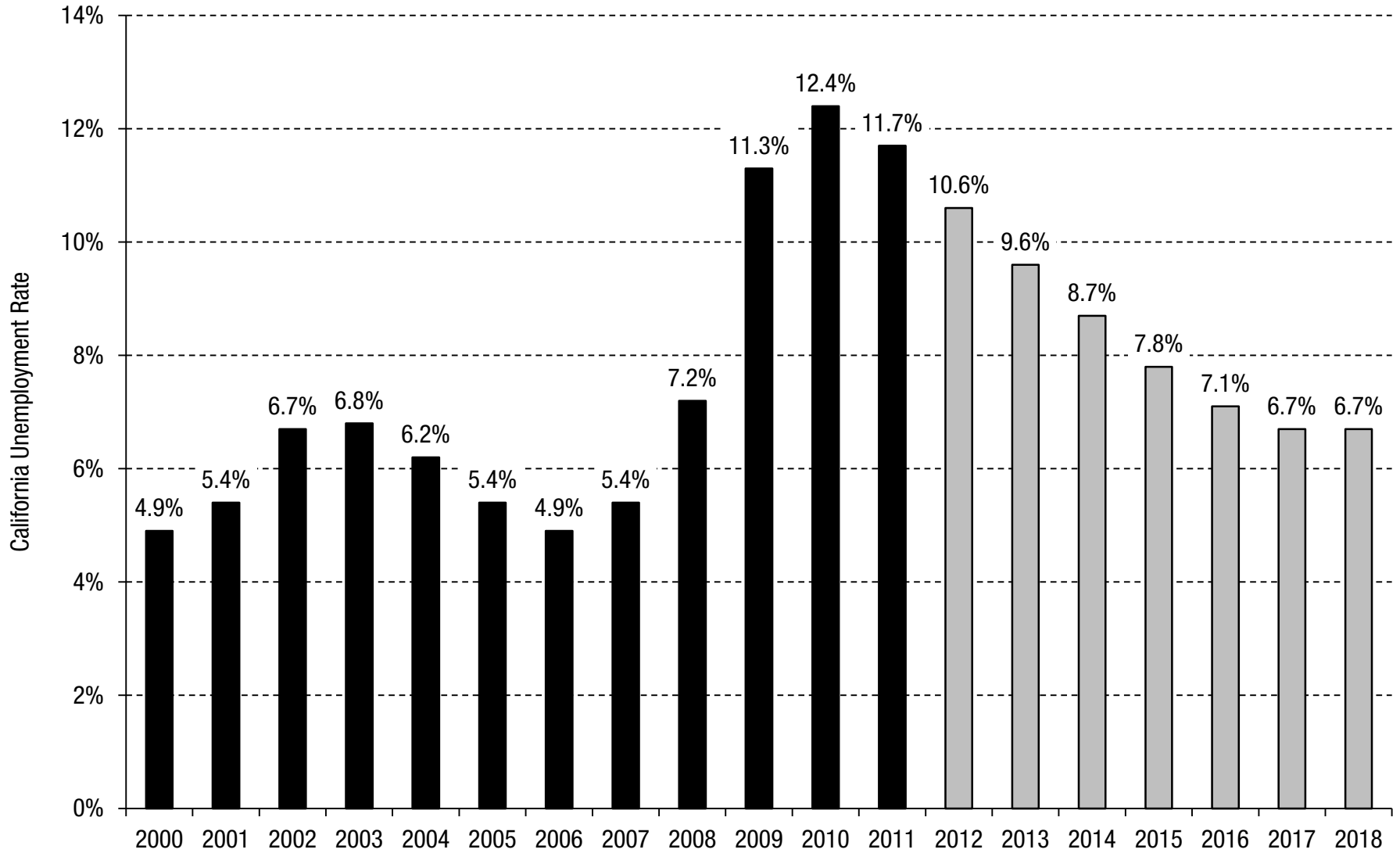


# California's Families Continue To Face a Tough Job Market

# California Still Has a Deep Hole in Its Job Market



# California's Annual Jobless Rate Is Projected To Drop Below 10 Percent in 2013



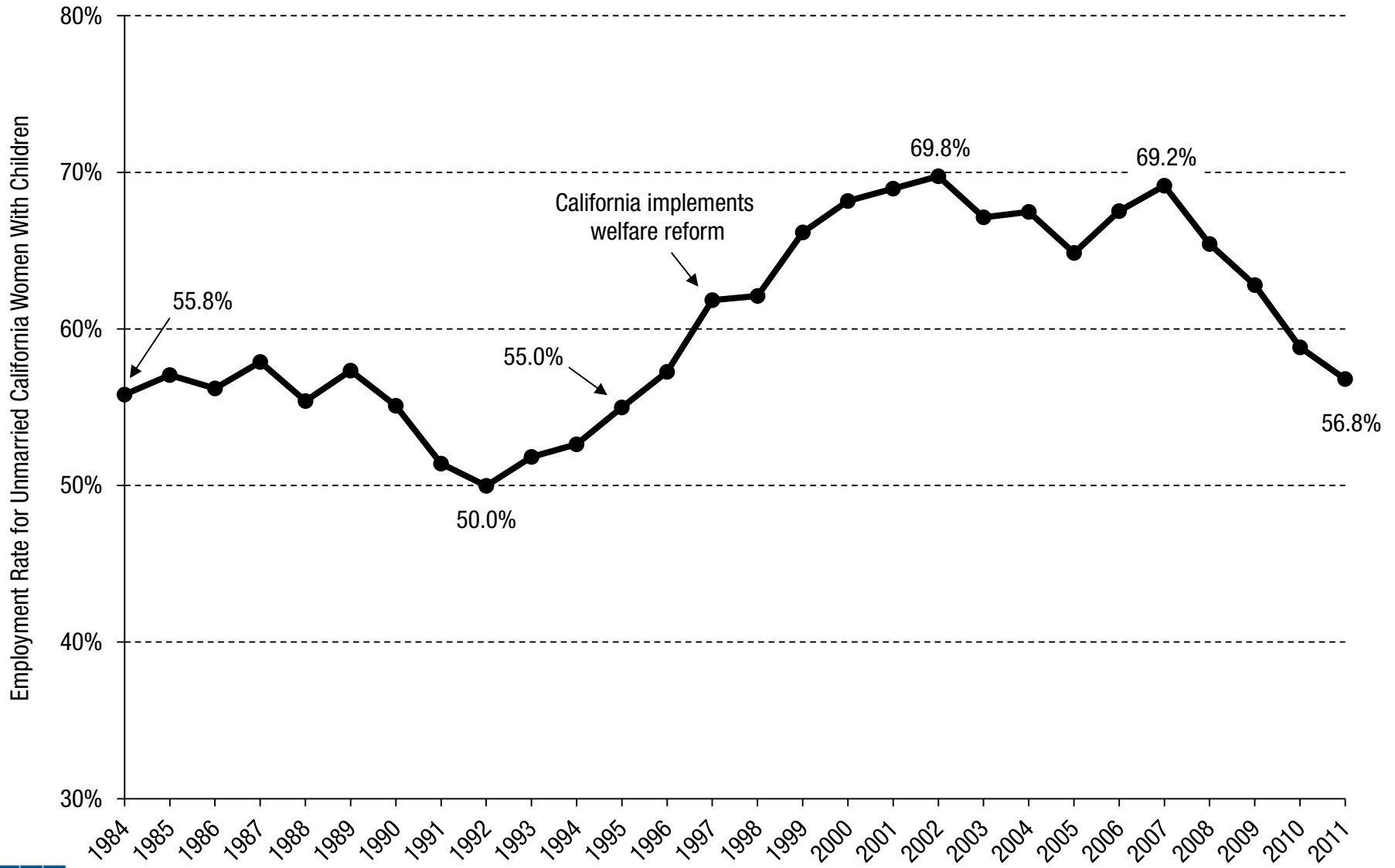
Note: 2012 through 2018 are projected.

Source: Legislative Analyst's Office and US Bureau of Labor Statistics



# The Great Recession Hit Single Mothers Particularly Hard

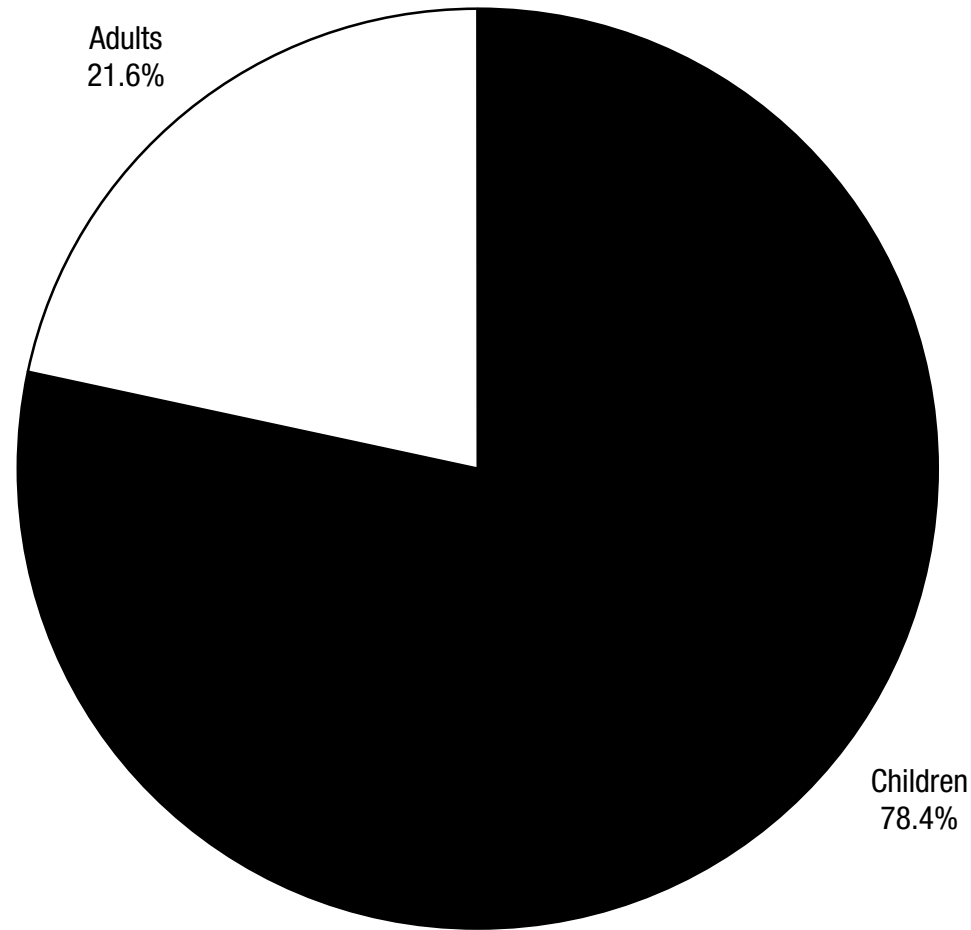
# The Share of California's Single Mothers With Jobs Has Fallen to Its Lowest Level Since 1995



# Key Facts About the CalWORKs Program

# Most Californians Who Receive CalWORKs Cash Assistance Are Children

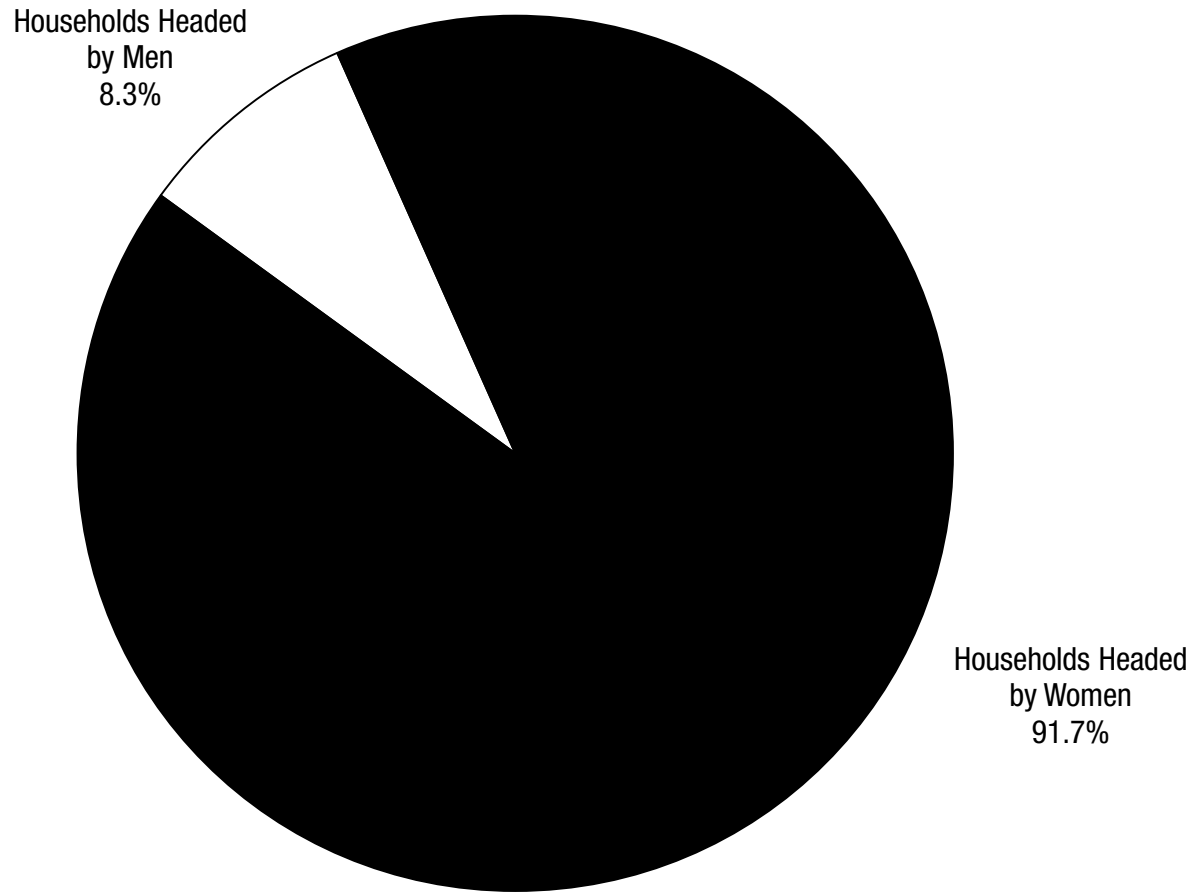
## Nearly Four Out of Five Californians Who Receive CalWORKs Cash Assistance Are Children



Number of Individuals Receiving CalWORKs Cash Assistance in August 2012 = 1,362,339

# Most Single-Parent Households That Receive CalWORKs Cash Assistance Are Headed by Women

## More Than 90 Percent of Single-Parent Households Receiving CalWORKs Cash Assistance Are Headed by Women

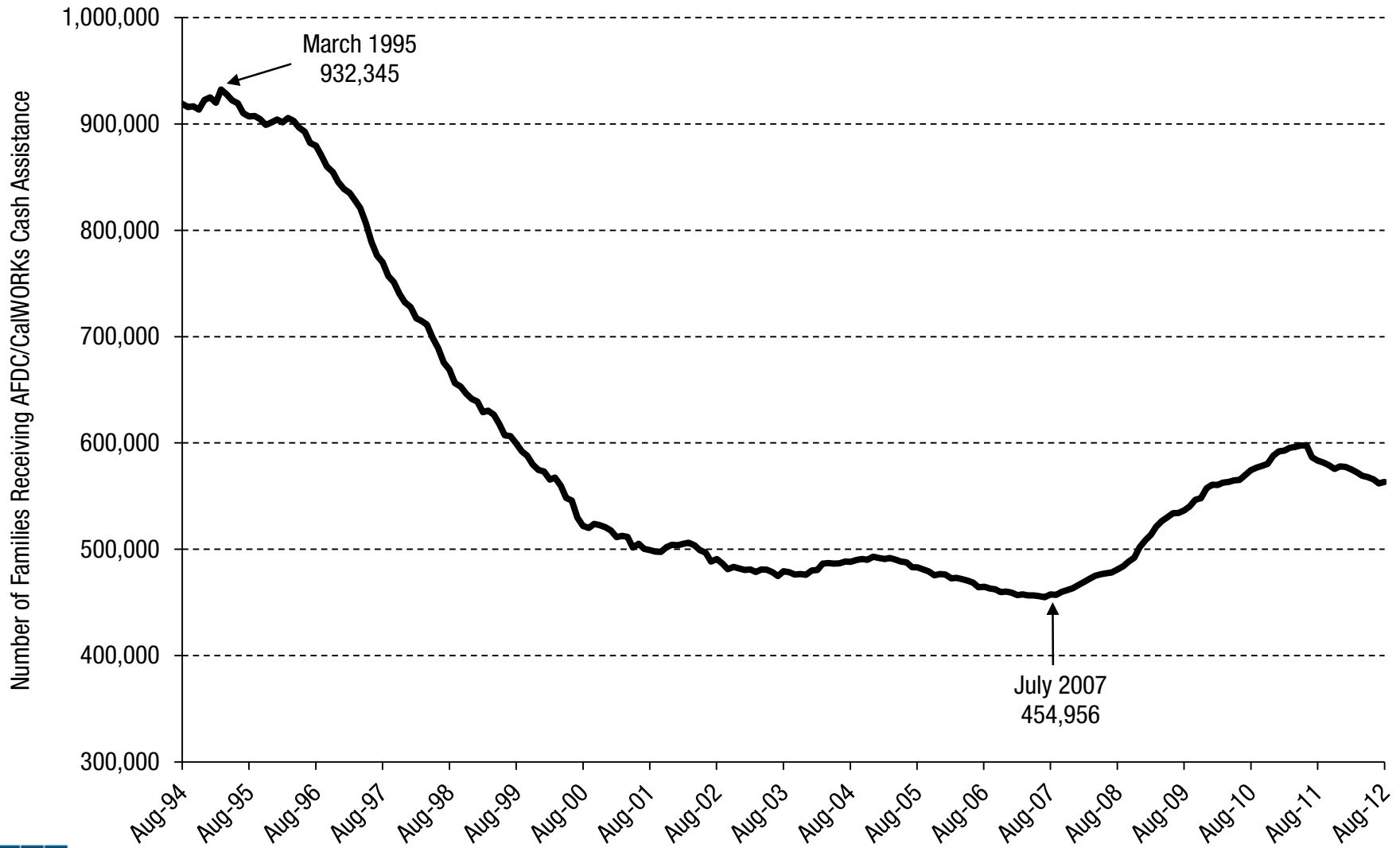


Heads of Household in Single-Parent Families Receiving CalWORKs Cash Assistance in Federal Fiscal Year 2011 = 205,269

The Number of CalWORKs Families  
Dropped Steeply After Welfare Reform  
and Then Increased Beginning in 2007  
Due to the Great Recession

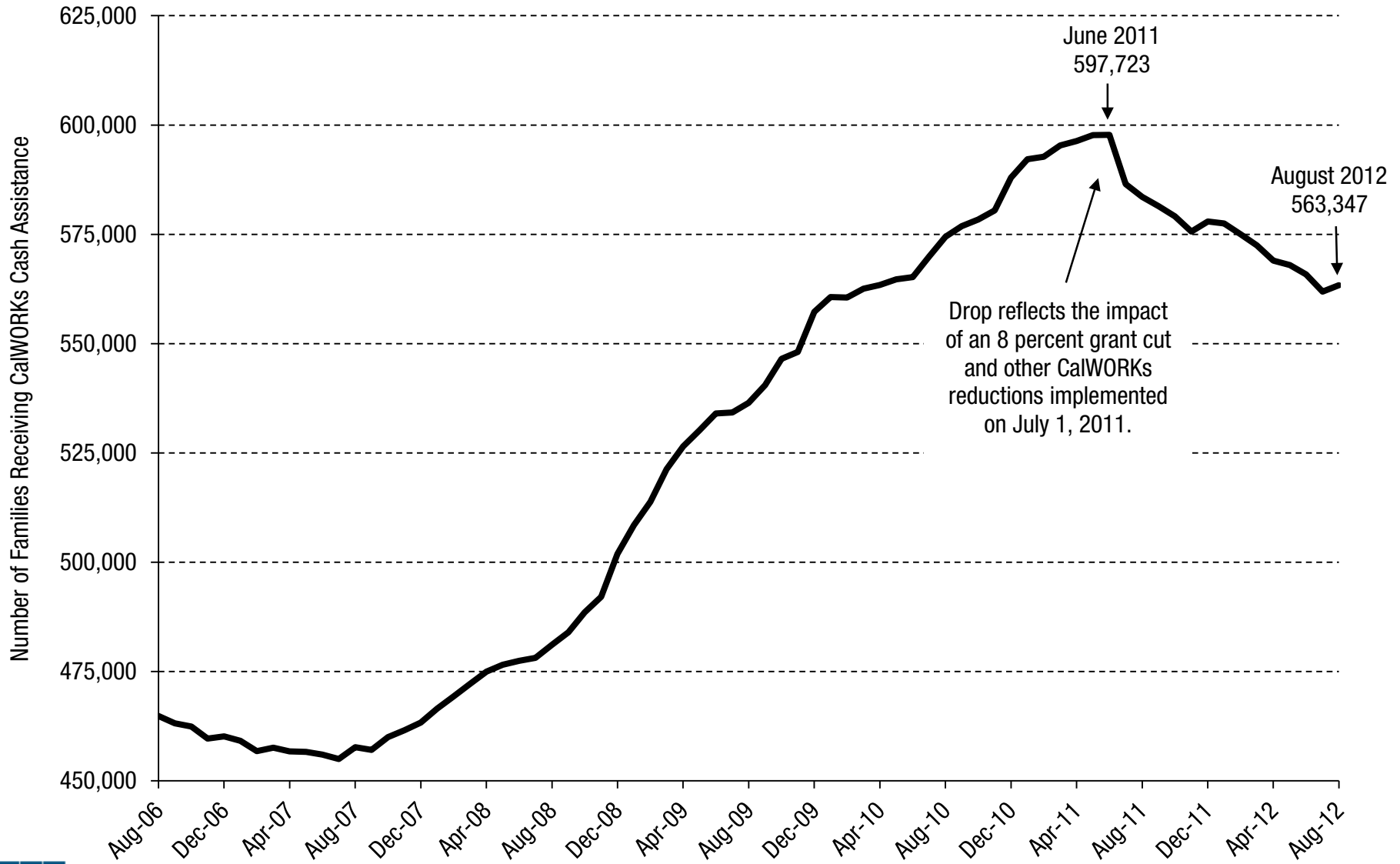


## After Declining for Many Years, the Number of Families Receiving CalWORKs Cash Assistance Increased Steadily Beginning in 2007 Due to the Great Recession



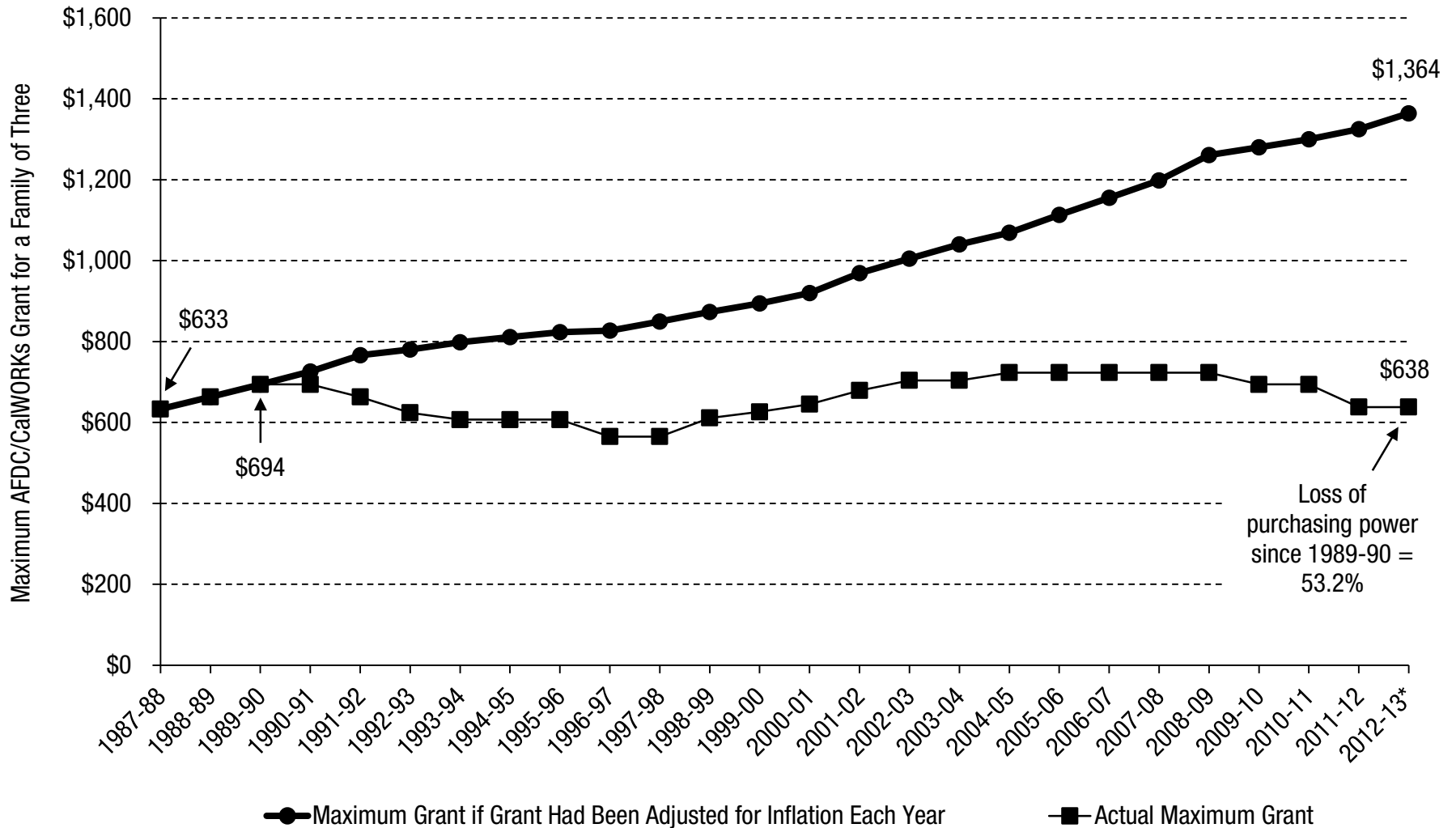
# The CalWORKs Caseload Has Declined Over the Past Year

# The Number of Families Receiving CalWORKs Cash Assistance Began a Sharp Decline After June 2011



# CalWORKs Provides Modest Cash Assistance

## Purchasing Power of CalWORKs Grants Has Dropped by More Than Half Since 1989-90



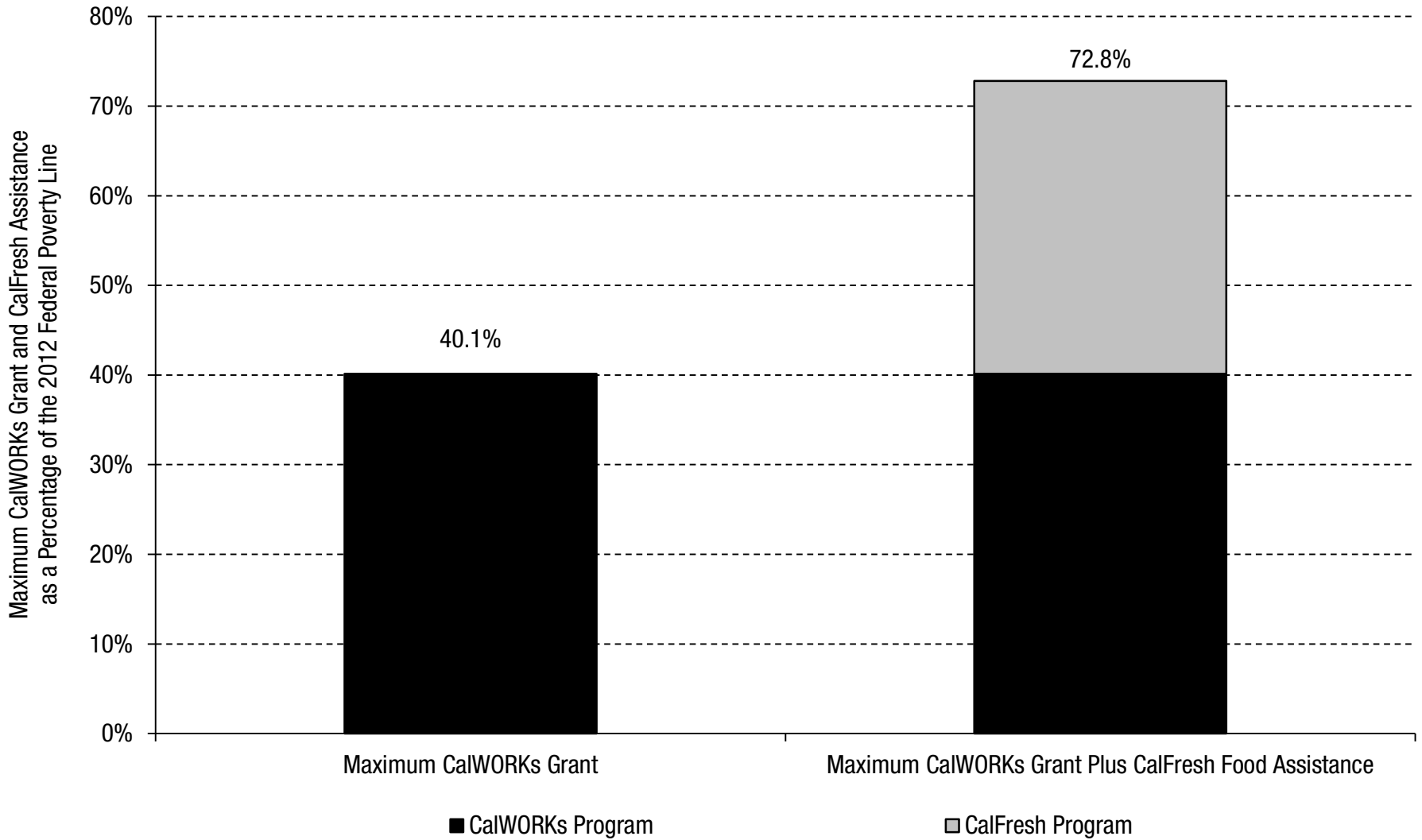
\* Maximum grant as of the enacted budget.

Note: Maximum grants are for high-cost counties beginning in 1996-97.

Previously, maximum grant levels did not vary by county.

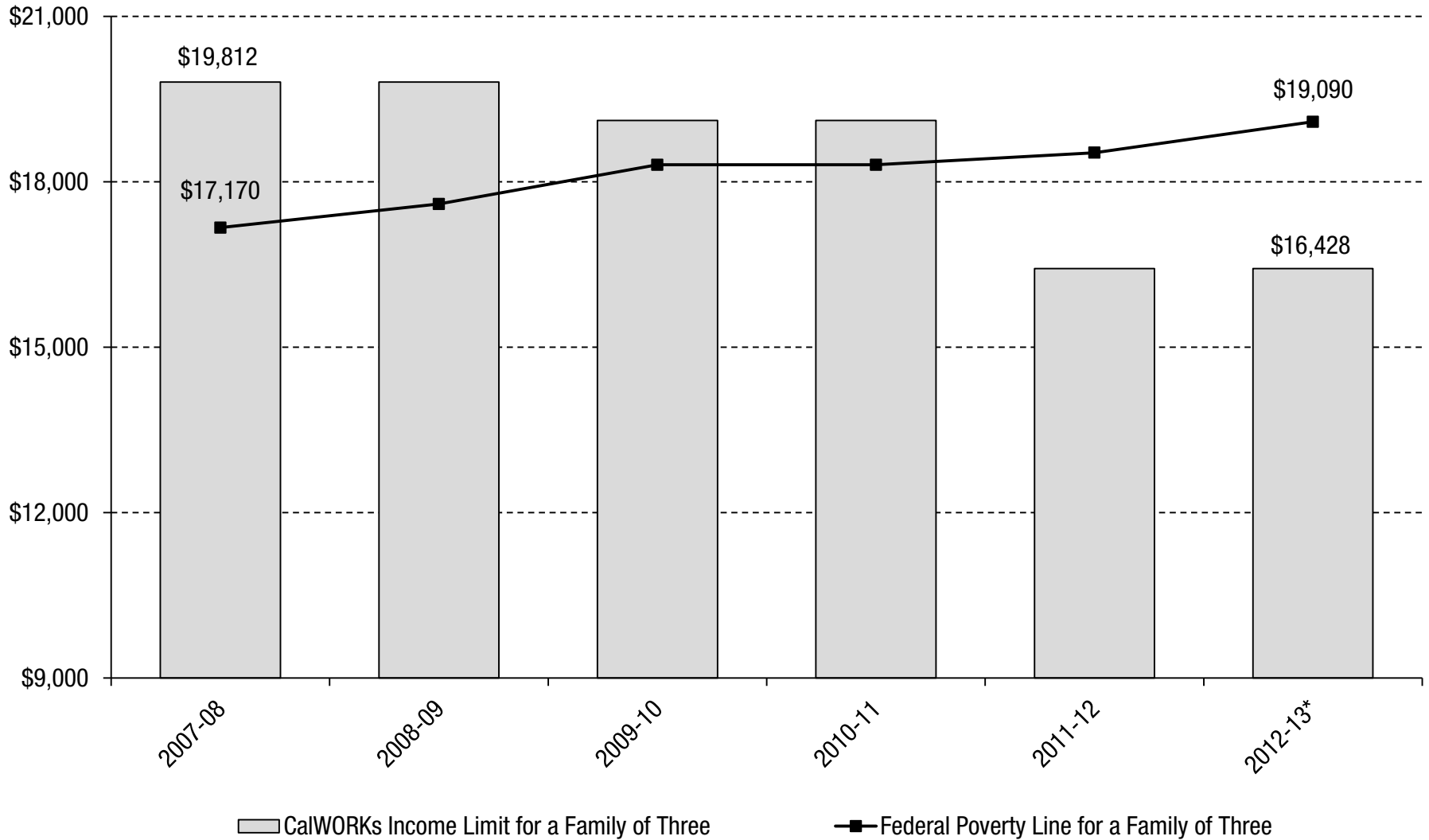
Source: CBP analysis of Department of Finance and Department of Social Services data

# Combining CalWORKs and CalFresh Assistance Still Leaves Families Well Below the Federal Poverty Line



Note: CalWORKs grant is for a family of three living in a high-cost county.  
Source: Department of Social Services, Legislative Analyst's Office,  
and US Department of Health and Human Services

## Families Currently Lose CalWORKs Cash Assistance Well Before Their Incomes Reach the Poverty Line



\* Enacted.

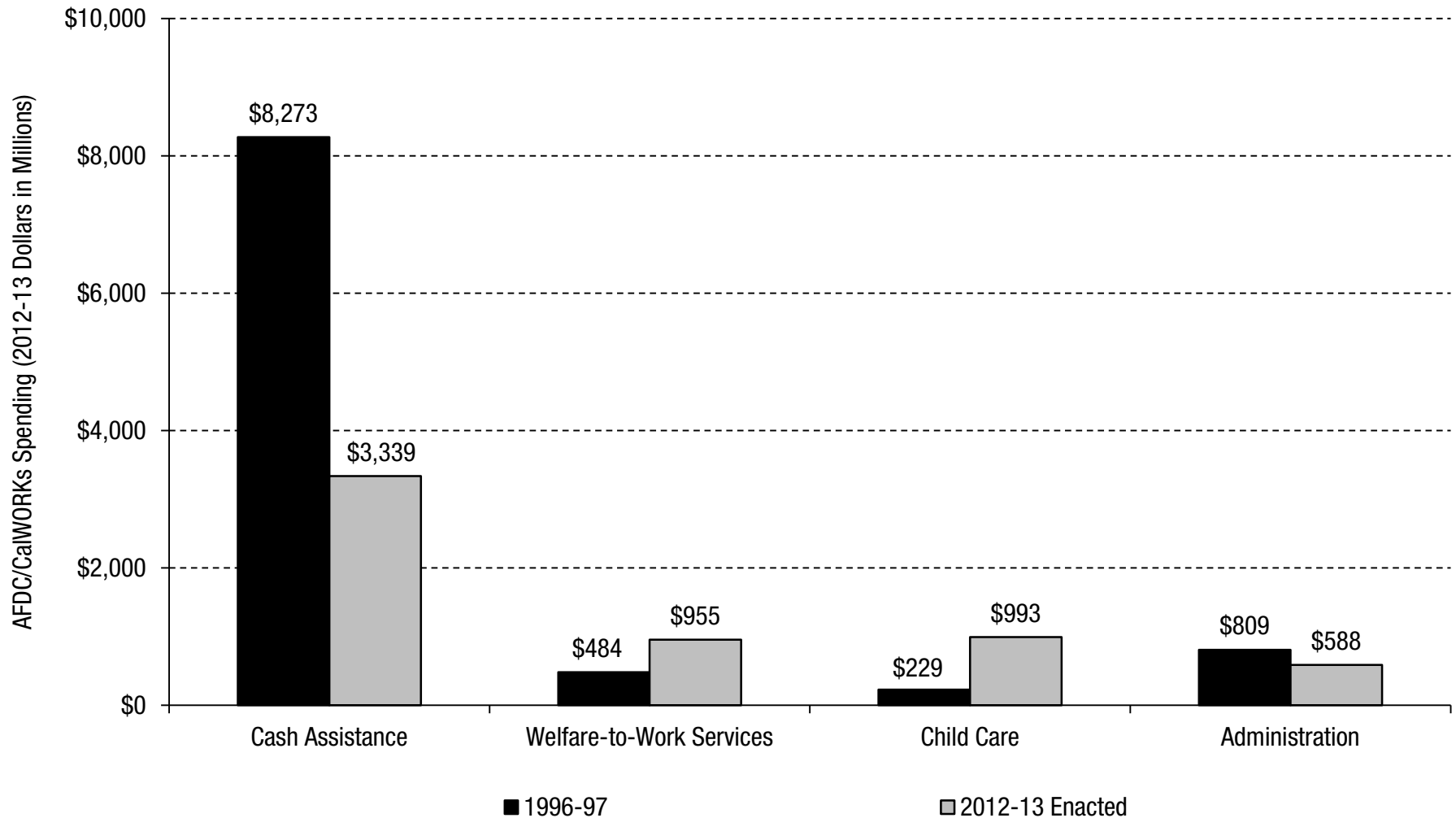
Note: CalWORKs income limits are for high-cost counties.

Source: Department of Social Services and US Department of Health and Human Services

# CalWORKs Provides Job-Related Services To Help Families Move Toward Self-Sufficiency

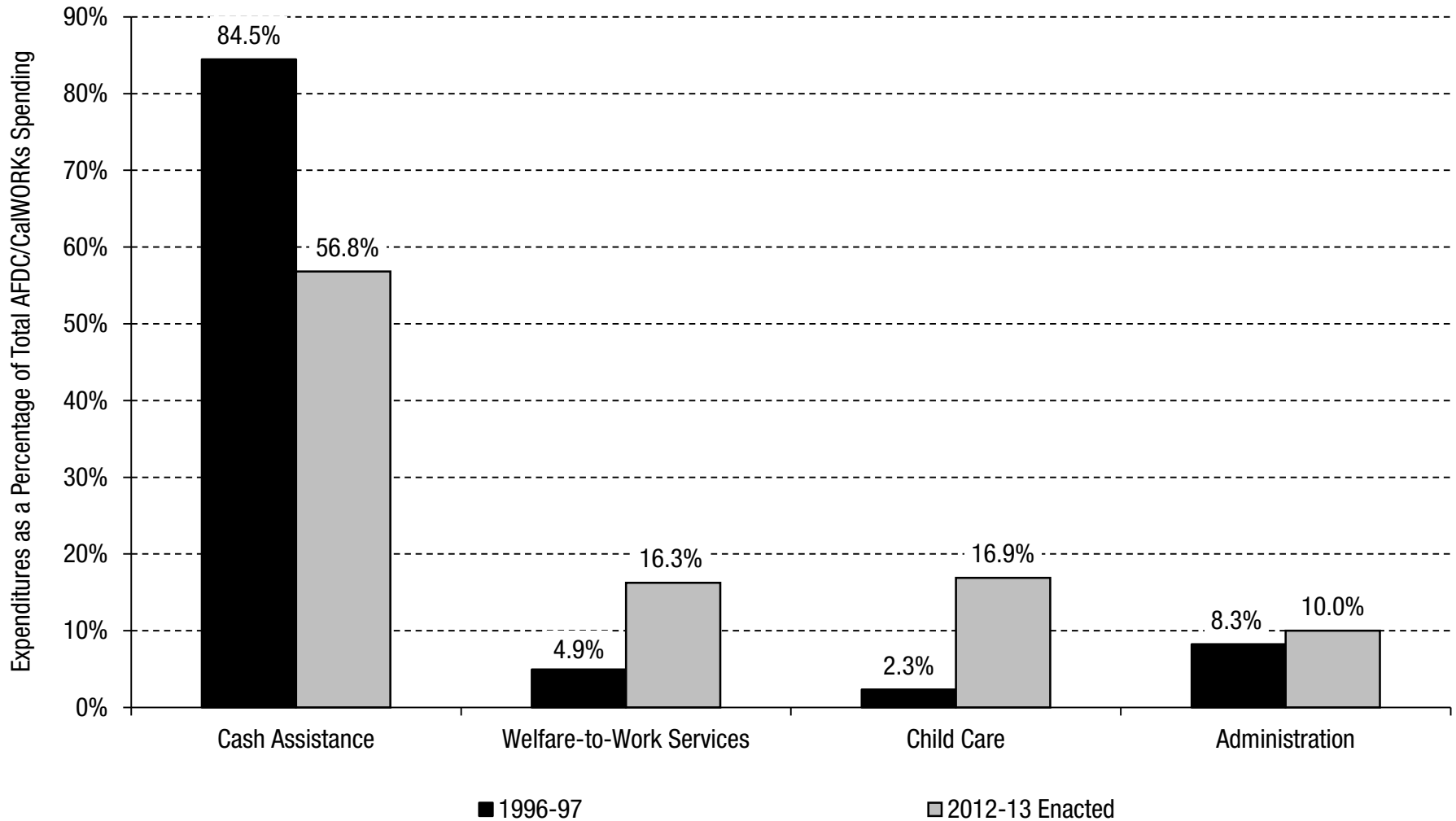


## Since the Mid-1990s, Spending on Welfare-to-Work Services and Child Care Have Both Increased, While Spending on Cash Assistance and Administration Have Dropped, After Adjusting for Inflation



Note: Spending includes federal, state, and county dollars.  
Source: Department of Finance and Department of Social Services

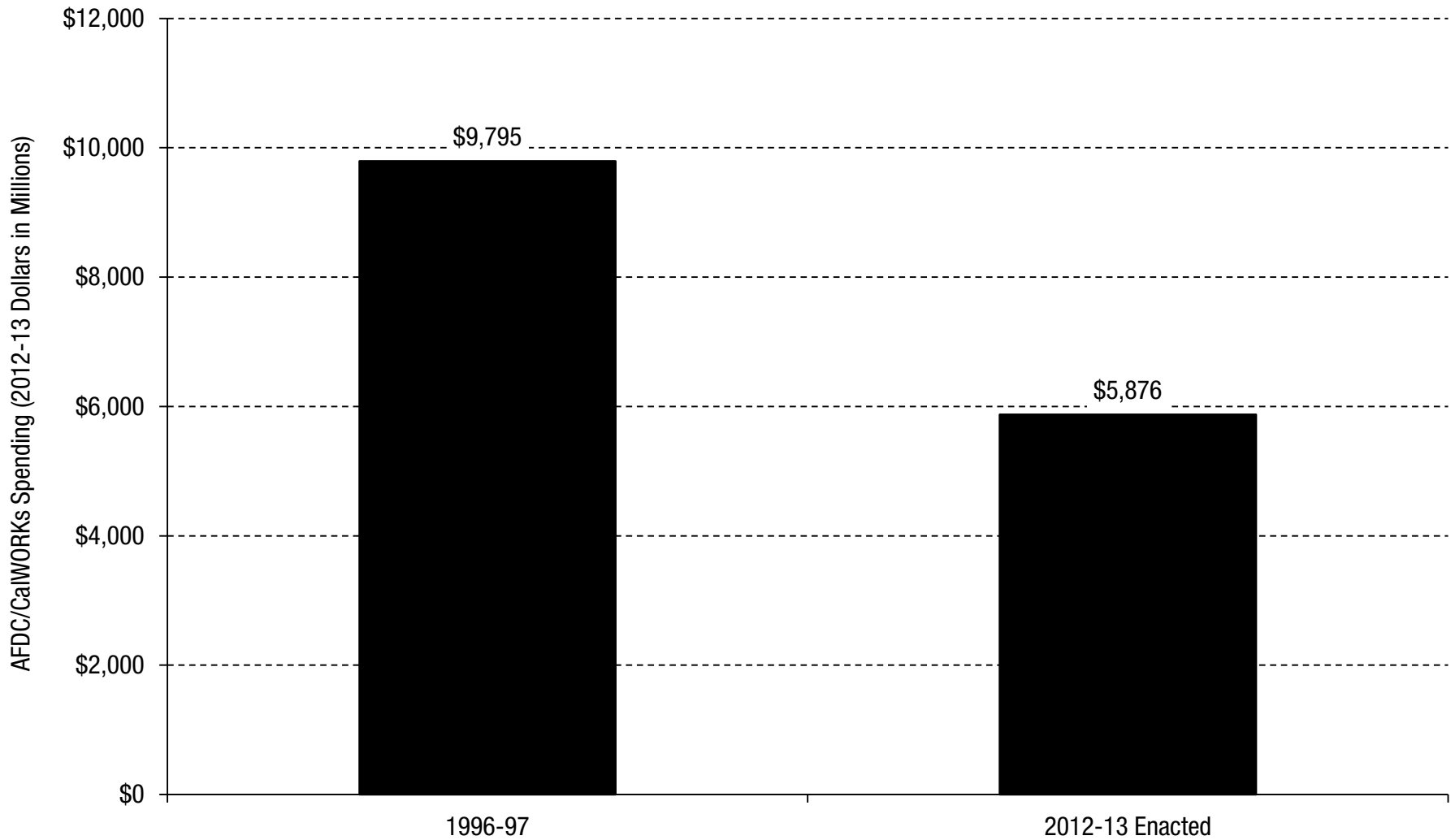
## Since the Mid-1990s, Welfare-to-Work Services and Child Care Have Both Increased Substantially as a Share of Total Welfare Spending, While the Share Going to Cash Assistance Has Dropped



Note: Spending includes federal, state, and county dollars.  
Source: Department of Finance and Department of Social Services

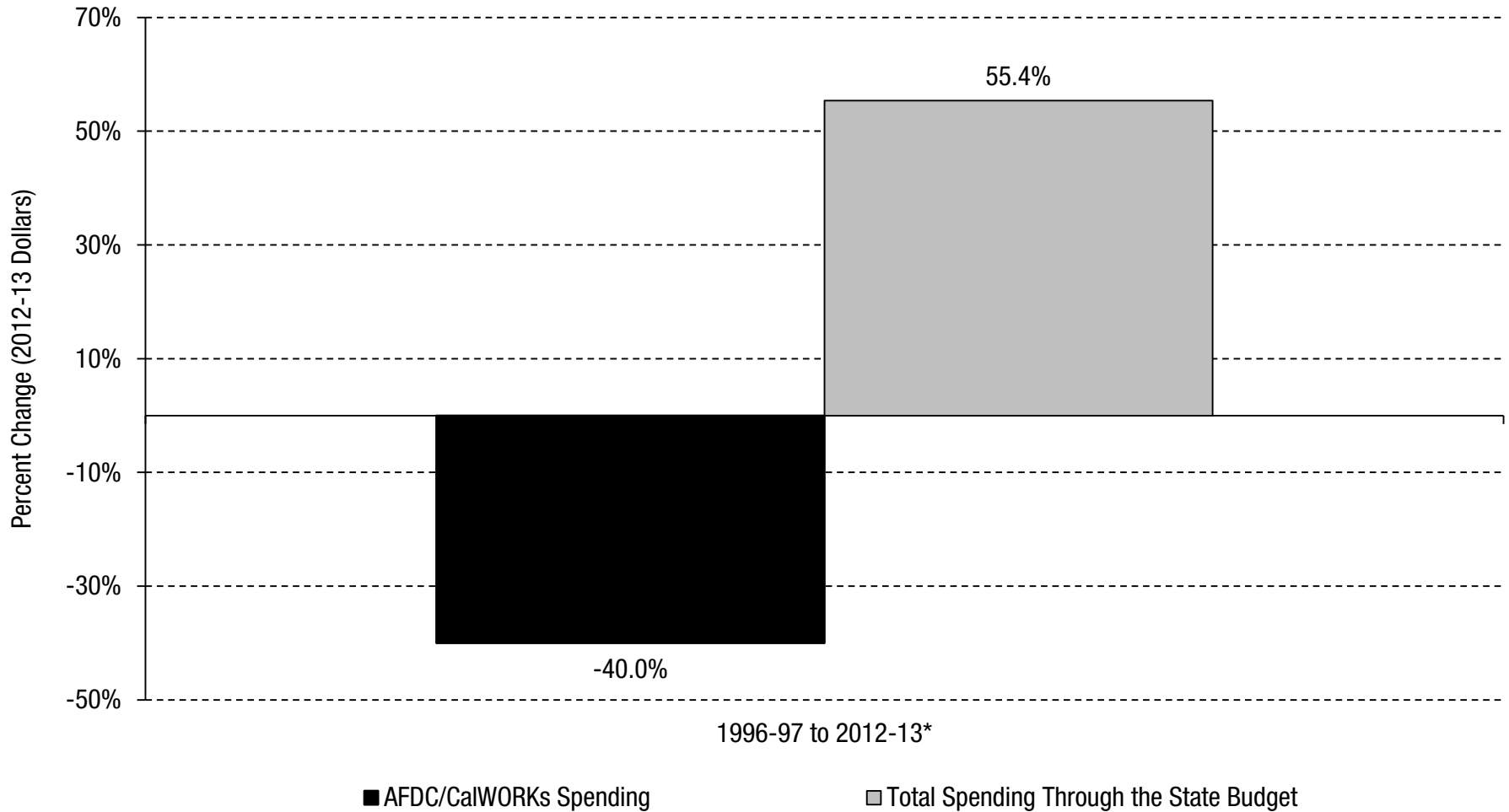
# Spending on CalWORKs Has Declined Sharply Since California Implemented Welfare Reform in the 1990s

## Welfare Spending in California Fell by More Than One-Third From 1996-97 to 2012-13, After Adjusting for Inflation



Note: Spending includes federal, state, and county dollars.  
Source: Department of Finance and Department of Social Services

## Welfare Spending in California Has Dropped Substantially Since 1996-97, While Total Spending Has Increased by More Than Half, After Adjusting for Inflation



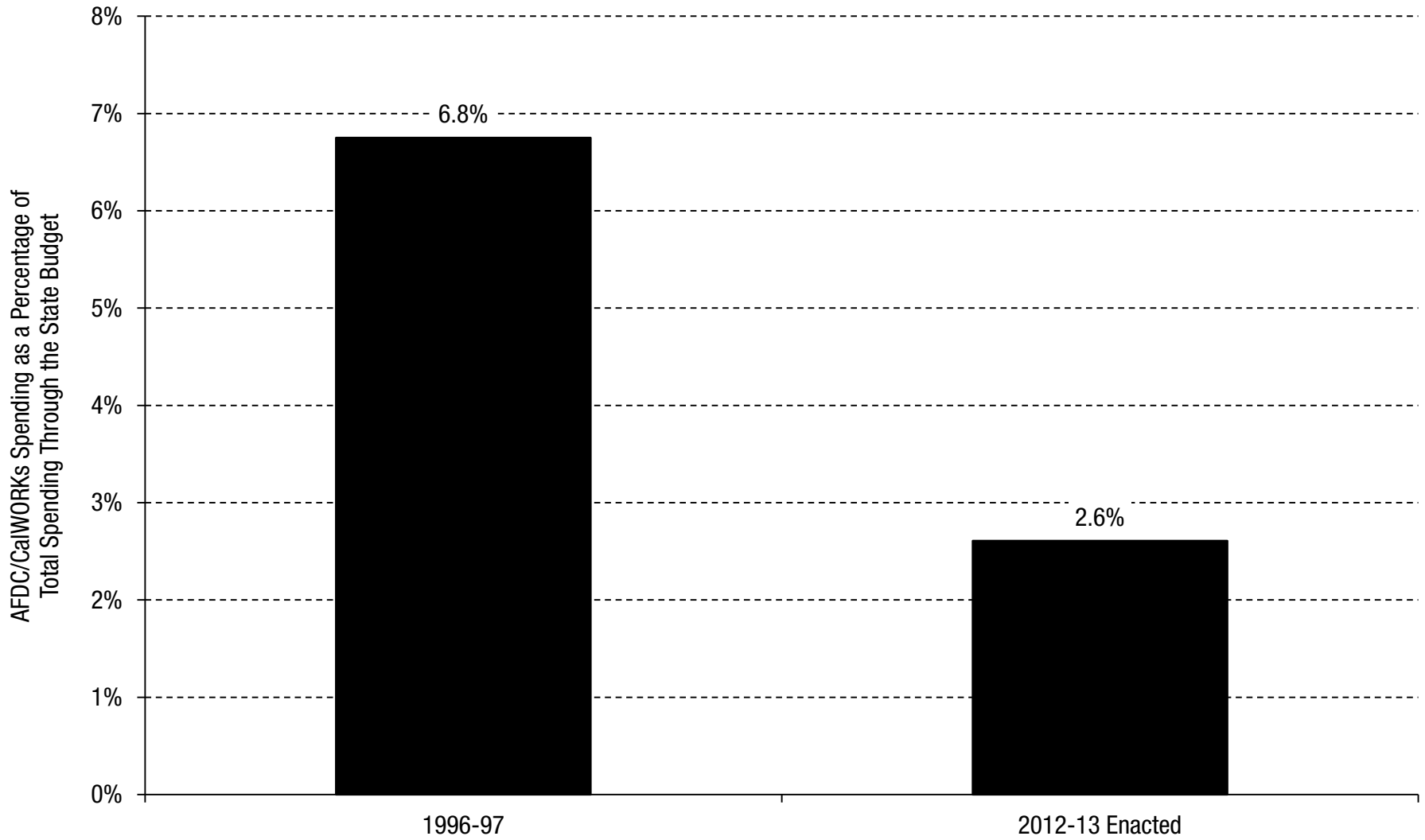
\* 2012-13 enacted.

Note: AFDC/CalWORKs spending includes federal, state, and county dollars. Total spending includes federal dollars and state General Fund, special fund, and bond fund dollars.

Source: Department of Finance and Department of Social Services

# Spending on CalWORKs Now Accounts for Less Than 3 Percent of the State Budget

## Welfare Spending as a Share of Total Spending Fell by More Than Half From 1996-97 to 2012-13



Note: AFDC/CalWORKs spending includes federal, state, and county dollars. Total spending includes federal dollars and state General Fund, special fund, and bond fund dollars.  
Source: Department of Finance and Department of Social Services