



The New York City Welfare Reform and Human Rights Documentation Project

Brief No. 1

April, 2001

Key Survey Findings: Assessing the Intersection of Race and Welfare Reform for New York City Households

The Human Rights Project

The passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRA) which ended the federal program, Aid to Families with Dependent Children (AFDC), marked a major turning point in how our country views its responsibility in assisting people living in economic poverty.

Since 1950, our nation maintained a federal public benefits entitlement program for needy children and adults, which provided cash assistance to any family who qualified through a standard means test. With the passage of PRA, the public benefit entitlement system was completely eradicated; there are lifetime time limits, stricter workfare requirements, and arbitrary exclusions of specific populations from public assistance programs. Additionally, states now receive a lump sum block grant (TANF) from the federal government to fund state-initiated reforms. These changes made it very clear that our federal government no longer considers itself obligated to provide resources for those in economic need and desperate circumstances.

Nationwide, welfare caseloads have dropped by 50%. Since the inception of New York City's workfare program in 1995 the welfare caseload fell from 1.1 million to 560,00 in July 2000. While the strong economy and other programmatic changes have had much to do

with declining caseloads, new harsher and punitive welfare rules have had an equally strong impact on benefit reduction. Many politicians, policy makers, and the general public see the drops in the welfare rolls as proof of welfare reform's "success." In this limited context, welfare reform has been defined by caseload reduction *not poverty reduction*. A closer look at the impacts of welfare reform reveals that its only success has been moving political agendas and denying many needy people access to public benefits and social services. The rhetoric of "success" has redirected attention away from the real causes of poverty such as systemic disproportionate access to resources, including educational opportunities, affordable housing and living wage jobs.

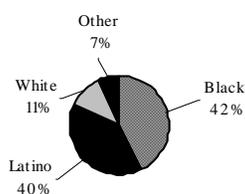
Welfare reduction has moved at a far greater rate than poverty reduction, particularly for racial minorities and those economically vulnerable. This brief begins to unpack the differential impacts between people of color and whites in the context of welfare reform. Too often discrimination is masked by aggregate data especially in New York City, where there is limited information broken out by race. The data presented in this brief suggests that when broken down by race, non-whites are facing discriminatory treatment at welfare offices and that different racial groups have particular social service needs.

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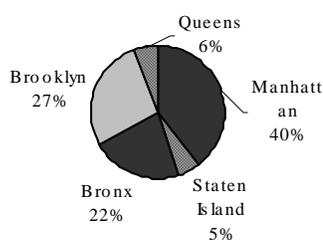
Demographics

A total of 335 individuals at 35 service organizations completed the survey. The sample was non-random and is not intended to make generalizations to the New York City welfare population. The sample is 71% female and 29% male. The mean age is 37 with a majority of the sample falling between 25-44 years old. 61% of the sample was living in a household with children under the age of 18 at the time of the survey and have been categorized as families. The survey captured ethnicity but for the purpose of this analysis respondents have been collapsed into black, white, Latino and “other” (see note). Due to small sample sizes “other” includes 7 Asian/Pacific Islanders, 4 Native Americans, and 13 self-identified “others.” Ethnicities within

Racial Breakdown of Sample



Survey respondents by borough



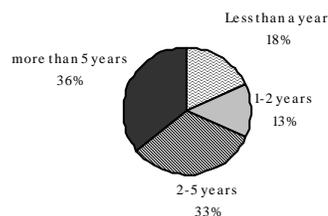
whites the most likely. The survey was administered in all five boroughs with some over-sampling in Manhattan.

% within each group	Black	Latino	White	Other
Mean Age	39.1	35.6	40	32.9
Citizen	86.5	66.7	77.1	58.3
High School Diploma	71.6	52.3	77.1	70.8
Never Married	66.7	44.3	45.7	41.7

Welfare Office Experience

Under pressure to cut welfare rolls after the passage of PRA, diversion policies were widely embraced by states. A government funded George Washington University study defines diversion as a strategy employed as part of the welfare application process “intended to keep families from receiving welfare in the first place.” While some NYC diversion policies are within the legal authority of welfare reform policies, such as job search activities, many tactics are indirect and discriminatory in nature. The NYC Human Resources Administration (HRA) has been the focus of several lawsuits concerning its policies and practices. Of the 71% of the sample that applied or reapplied for benefits in the last 2 years more than half applied more than once. Although 35% of the sample had been on welfare more than 5 years more than 80% of the total sample had to apply or reapply for benefits in 1999 and 2000. This revolving door of caseload activity is key to New York City’s “declining” caseloads. 41% of the sample faced a diversion

Total Time on Welfare



tactic when applying for benefits and as a result had to apply more than once. Particular diversion tactics used in local welfare offices which are unlawful include- not receiving an application on the first visit, telling applicants that benefits don’t exist or that they must get childcare before applying. The survey documented that these diversion tactics are applied in a pattern that is discriminatory. For example, Latinos and Blacks were most likely to face an unlawful diversion tactic.

- 10% of Latinos and 8% of blacks were told that benefits don’t exist compared with zero whites.
- 4% of blacks and 5% of Latinos were told to get childcare first compared with zero whites.

Public Assistance Benefits

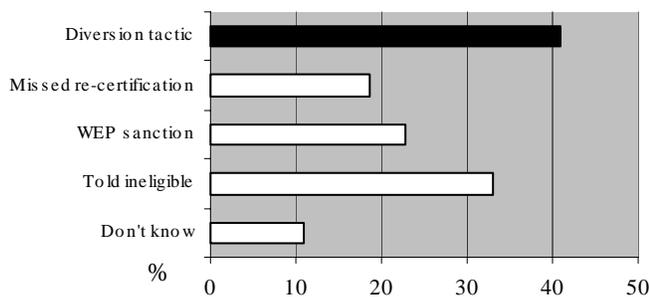
The welfare application process has become increasingly important as the goal of welfare reform has been to reduce caseloads. As a result, the process is onerous and includes multiple appointments with the welfare center. If an applicant misses an appointment, for whatever reason, they are likely to be sanctioned and must begin the 35-50 day application process all over again. If an applicant misses an appointment for a legitimate reason and is unfairly sanctioned they must request

“Up front diversion could be even stronger on Hispanics and other groups with language difficulties.”

Source: DRAFT-Why New York's Dominican Welfare Caseload is High, and How to Help Recipients in this Group Make the Welfare-to-Work Transition by Richard Hendra, The New School for Social Research

a "fair hearing" to get the situation resolved, which can take several months. Missing appointments is common for applicants due to lack of transportation, housing insecurity, child care and conflicts with other welfare office appointments such as job search activities. Of those that applied more than once, almost 20% said it was because they missed one or more appointments. Blacks were three times more likely to miss

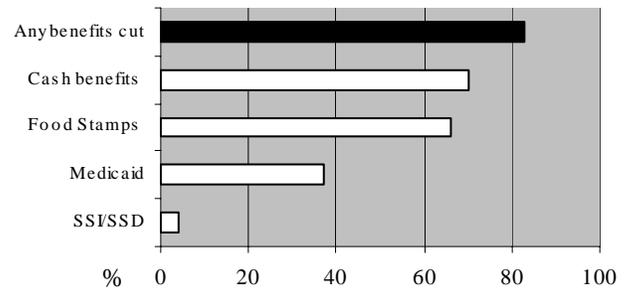
Reason applied more than once



re-certification as whites yet whites were more likely to miss an appointment during the application period. Although sanctions related to the work experience program were only cited by 23% of the total population, this number was driven primarily by blacks. Welfare offices lack of communication with clients is common and results in misinformation and paperwork mistakes.

This is partly due to welfare offices lacking basic infrastructure such as phones and workers juggling enormous official and unofficial caseloads. Following an already outlined racialized pattern, the 11% of the sample that “did not know why” they had to apply more than once was comprised of all non-white applicants making this statistic disturbing.

Benefits Cut or Reduced



Despite policies that protect recipients from getting mistakenly removed from the Food Stamp Program and Medicaid if their cash benefits are cut off, NYC has seen a huge decrease in all public benefits. More than 80% of the sample had one or all of their benefits cut or reduced in the last two years. Because people are not self-sufficient before their benefits are cut, many eventually return through the revolving welfare door. At the time of the survey, 72% of the sample was receiving public assistance and/or food stamps and most were receiving Medicaid. 70% of the sample had their cash benefits cut or reduced in the last two years and 66% had food stamp reductions. Blacks and Latinos, who make up a majority of the welfare caseload are hit particularly hard with these sweeping cuts. A close look at reasons why people had their benefits cut reveals yet another pattern tied to race. Very few people, less than 19% had their benefits reduced or cut due to more “job related” income but of those that did, whites were twice as likely as blacks to be in this situation. This aggregate figure is much lower than the HRA reported number of 54%² and slightly lower than the 36% found by the Citizens Committee of New York³.

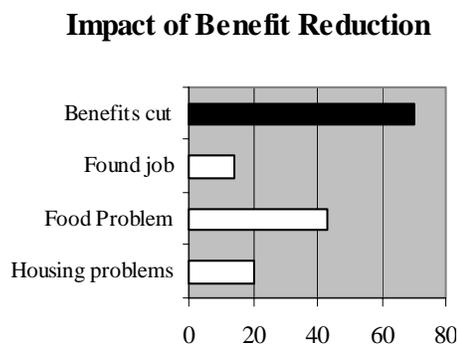
The administration of a public welfare system as large as NYC's is no doubt a challenging task but administrative mistakes that lead to people losing their benefits is unacceptable. 44% of the sample cited welfare office mistakes and/or paperwork problems as the reason why their benefits were reduced or cut. This number is much higher than a national figure of 10% found by a

Why benefits were reduced/cut				
% within each group	Black	Latino	White	Other
Job income	13.5	20.8	26.9	23.5
More income (non-job related)	6.3	13.9	26.9	0
WEP sanction	26.1	20.8	26.9	23.5
Missed appointment	24.3	18.8	34.6	23.5
Sanction	44.1	36.6	46.2	35.3
Paperwork Problem	27.9	22.8	23.1	41.2
Welfare Office Mistake	34.2	32.7	34.6	70.6
Don't Know	9	15.8	3.8	17.6

1999 Urban Institute study⁴. Again, as indicated by the difference in percentages for those that didn't know why their benefits were cut or reduced, there is an indication that people of color have less communication with the welfare office than whites.

Impact of Benefit Reduction

Proponents of welfare reform would like to believe that reducing or cutting safety net assistance leads to self-sufficiency yet the reality is few people are able to achieve this goal. Only 10% of the sample



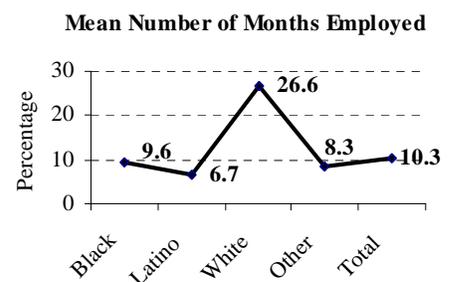
found a job as a result of cuts or reductions to their benefits. Within this group, 16% of whites found jobs compared with 10% of blacks. Despite a clear message that the government is willing to providing supports for the working poor, few people have access to these supports. These supports are available only to those who

Impact of benefit reduction/cut				
% within group	Black	Latino	White	Other
Found a job	9.5	10.2	16	5.9
Went to soup kitchen	53.3	26.5	44.0	35.3
Couldn't pay bills	44.8	53.1	68.0	70.6
Became homeless	21	10.2	24	29.4
Child placed outside of the home	8.57	4.1	8.0	5.9
Moved in with others	13.3	14.3	24.0	0
Other	16.2	20.4	24.0	23.5

leave the rolls because of employment. After their benefits were cut or reduced, many people in our sample went hungry and homeless. 55% of the sample utilized food pantries and/or skipped meals. In 1999 43% of those living below the poverty line had food difficulties according to a national survey⁵. An alarming 18% became homeless and 7% of children were placed outside of the home due to cuts, 2% were put in foster care and 5% were placed with relatives. These indicators point to some of the strategies people use to survive when public benefits are no longer there to assist them.

Employment

At a time when national employment was at an



all time high only 15% of the sample was employed. 1999 National Survey of American Families data estimates the national low-income employment rate was 66% and 82% for adults of all incomes. Employment rates varied slightly across race with blacks being the most likely to be employed at the time of the survey. Although fewer whites were employed, of those that were working, their mean number of months employed was three times that of blacks and four times that of Latinos. Of those employed, 46% earned less than 10k a year (estimated). 57% worked full-time, 38% worked part time and 17% worked temporary/seasonal jobs. 65% of those working received no benefits. Only 13% claimed that HRA was responsible for getting them their job.

Reasons for unemployment were widespread and multiple. The reasons ranged from "no child care" to "can't lose Medicaid," but most often cited was "can't find a job." Despite millions of dollars going into welfare to work strategies few people have the required skills to enter the high-tech job market. The employment data also captures a pattern of racial discrimination in the workforce. More than 30% of blacks, Latinos, and others cited they could not find a job compared with 19% of whites with a similar skill base. People of color were also more likely than whites to report that they could not find a job that paid enough. 20% of blacks and Latinos cited not having enough job skills as a barrier to employment compared with only 11% of whites.

This is consistent with data that found whites were much more successful than people of color in finding a job as a result of benefit reductions/cuts. Health problems were equally important barriers to work. 54% of the white sample had a mental or physical barrier and 18% of Blacks feared losing their Medicaid benefits. Not having childcare was cited as a barrier by 22% of the total sample.

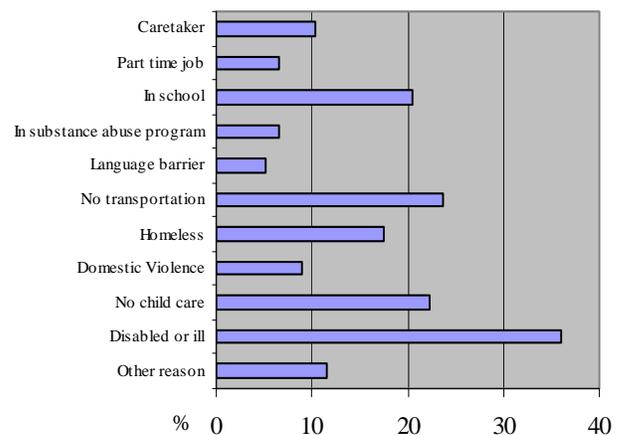
Job Search

Barriers to Work				
%within each group	Black	Latino	White	Other
No child care	12.8	30.2	11.1	45.0
Language barriers	.9	22.4	0	15
Not enough job skills	20	19.8	11.1	30.0
Can't find any job	32.7	34.9	18.5	40.0
No job that pays enough	20	27.9	18.5	24.7
In DV situation	3.6	7.0	7.4	10
Mental or physical health problem	29.1	32.6	53.6	35
No working documents	3.6	3.5	11.1	10
Can't lose Medicaid	18.2	13.8	7.4	15
School or job training	1.8	7	7.4	5

Job search is yet another type of diversion. It is a mandatory program for people applying or receiving benefits at job centers. Most people that apply for benefits are in a desperate situation and many qualify for a job search exemption. If they are not exempted they must participate and can be sanctioned for non attendance. Job search activities include making cold calls from the telephone book to possible employers, writing resumes, going on interviews and going to a resource lab, which often are managed by private companies. Very few people benefit from job search activities. At the time of the survey not all NYC

At the time of the survey not all NYC

Barriers to Job Search Participation



welfare centers were job centers so not all respondents were required to participate in job search. In our sample only 28% participated in job search activities and only 20% of those people got a job as a result of activities.

Emergency Situation

Our survey findings show that those applying for public benefits do so because they are often in emergency or desperate situations. With few resources that the general public takes for granted, such as credit, secure jobs, and family with means to provide, many welfare recipients tend to need emergency services more

often than the general public. 70% of the sample had no food or no money the last time they applied for public benefits. 38% were facing eviction or be-

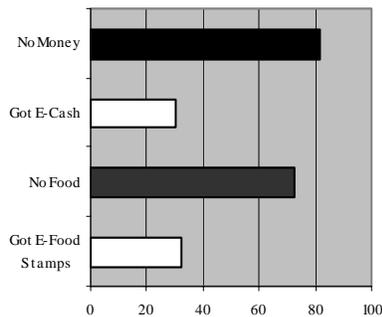
hind in rent and 35% were homeless. According to the NSAF blacks (54%) and Latinos (56%) suffer food insecurity at a significantly higher rate than whites (38%) and were still more likely to live in poverty despite increasing employment rates. Of those that told a welfare office worker about their emergency less than 45% received immediate assistance.

Well Being Indicators

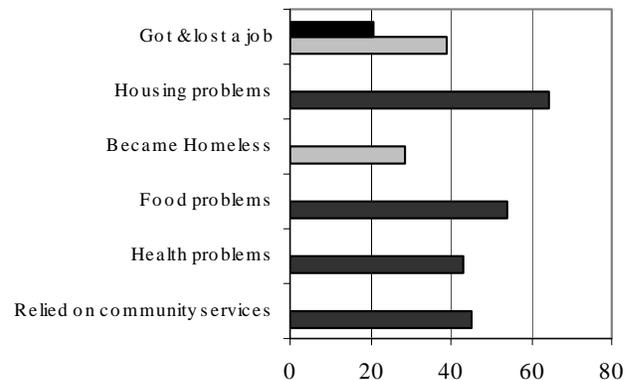
Although welfare reform has been hailed as a “success” there is strong evidence both in this survey and nationally that those cut from the rolls are not experiencing a higher quality of life. Most have not found permanent jobs and continue to live below

poverty levels. In an effort to gauge the array of effects of welfare reform, respondents were asked about their situation since January 1, 1998. The picture is grim and illustrates the myriad of barriers that people living in poverty have to struggle with daily to make ends meet. Again the data suggests the volatility of employment, only 18% actually found a job and out of those 59 people, 39% of them also lost a job. Housing problems were faced by 64% of the sample including 16% who had been evicted and 15% who had to move out because they could not pay rent. More than 54% of the sample experienced food inconsistency which

Emergency Situation



Well Being Indicators Since January 98



includes skipping meals and/or not buying food. 20% of the sample suffered from mental health problems but the rate for whites was much higher than blacks and Latinos. Less than 7% of the sample felt financially secure and 60% said paying bills was harder and almost 50% could not pay rent or other bills. In addition, an alarming 9% of white children were placed in foster care. Although these numbers only capture just a small proportion of those on welfare, these situations paint a bleak picture of what welfare reform “success” looks like for those that are directly effected by devolution and changing social policies.

Over 90% of the sample had some type of emergency situation the last time they applied for benefits.

Continued from page 1

New York City has been found to practice particularly aggressive diversion tactics in order to slash its caseloads and these diversions have specific implications for minorities. It has been relatively easy for the NYC HRA to hide the grave reality of welfare reform because they release limited disaggregated data on the welfare population and rarely document front line experiences. This lack of data makes it difficult for the advocacy and service provider communities to hold the government accountable to its obligations of providing services and monitoring discriminatory practices within city agencies. It is primarily for this reason that the New York City Welfare Reform and Human Rights Documentation Project (WRHRDP) was created. The WRHRDP gathered data with the intention of providing a real-life assessment of how welfare reform was affecting NYC's most disadvantaged populations and to capture human rights violations within the welfare system. Although aggregate data are important, the real story, as we begin to see here, is in the trends within subgroups. Our subsequent briefs will look further at differences between gender, singles, and families and culminate in a report focusing on the human rights violations based on the Convention on the Elimination of Racial Discrimination. This and subsequent briefs are not intended to make generalizations about the New York City welfare population as a whole but to point to trends within our sample. In combination with national welfare reform research this brief can be used to guide further studies on race and welfare reform.

Key Findings: Total Sample

Benefits

- 81% Receiving cash benefits
- 87% Receiving food stamps
- 71% Applied or reapplied for PA in last two years
- 28% Participated in Job Search activities
- 35% Participated in WEP in last two years
- 68% Total time on welfare more than 2 years
- 70% Benefits reduced or cut
- 54% Applied/reapplied two or more times
- 40% Reapplied because faced a diversion tactic



Why Benefits Reduced or Cut

- 19% Income from job
- 27% WEP sanction
- 25% Missed appointments
- 46% Welfare office mistake

Impact of benefit Reduction or Cut

- 11% Found a job
- 56% Experienced food problems
- 58% Could not pay their bills
- 7% Child removed from parent's care
- 28% Experienced housing problems
- 2% Stayed in domestic violence situation

Employment

- 16% Employed—Mean # of months=10.3
- 55% Working part time or seasonal work
- 32% Unemployed because cannot find job
- 19% Not enough job skills
- 22% No childcare

Situation Since January 1998

- 19% Got a job--
of this group 39% lost a job
- 46% Could not pay rent
- 16% Were evicted
- 37% Had a physical health problem
- 28% Became homeless
- 3% Had to put their children in foster care
- 44% Could not buy food
- 40% Skipped meals
- 45% Relied on community services



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Methodology

From Spring to Summer of 2000, Human Rights monitors surveyed over 300 people at 35 different community organizations in the five boroughs of NYC. Only clients who had applied for cash assistance, received cash assistance, or been cut off from cash assistance since January 1st, 1998 were eligible to participate in the survey. Sampling methodologies were tailored to the individual organizations due to programmatic constraints. The type participating organizations ranged from legal services, homeless shelters, food pantries, multi-service community organizations, and domestic violence Programs.

Special Data Considerations

For those applicants that did not speak fluent English, an attempt was made to provide a Spanish speaking monitor and Spanish survey but still the sample over-represents English-speakers. This survey was administered at service organizations where we may have over-sampled homeless individuals and singles, and people who access legal advocacy and community services.

References

- ¹ Kathleen A. Maloy, *Diversion as a Work-Oriented Welfare Reform Strategy and Its Effect on Access to Medicaid: An Examination of the Experiences of Five Local Communities*. George Washington University, March 1999.
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- ⁴ *Families Who Left Welfare: Who Are They and How Are They Doing?* Urban Institute Assessing the New Federalism, August 1999.
- ⁵ *Snapshots of America's Families III: Key Findings by Race and Ethnicity* (findings from the National Survey of America's Families). Urban Institute assessing the new Federalism, National Survey of American Families. October 2000.

Acknowledgments

The NYC Welfare Reform and Human Rights Documentation Project is coordinated by a steering committee comprised of the Community Food Resource Center, Hunger Action Network of New York State, New York City Coalition Against Hunger, New York Immigration Coalition, Puerto Rican Legal Defense and Education Fund, Urban Justice Center-Human Rights Project.

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**For questions about this brief or more information
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