

June 2003

EARLY IMPACT OF THE CALWORKS 60-MONTH TIME LIMIT

In response to the 1996 federal welfare reform law, California enacted the California Work Opportunity and Responsibility to Kids (CalWORKs) program in 1997, which limits recipients to 60 cumulative months of cash assistance. The CalWORKs time limit applies only to adults; children continue to receive cash aid as long as the family meets eligibility guidelines (“safety net” cases). For a family of three with one adult and no earnings in a high-cost county, the monthly grant would drop from \$704 to \$568. For a family of four in a high-cost county with two aided parents and monthly earnings of \$1,170 (40 hours of work per week at \$6.75 per hour), the monthly grant would drop from \$367 to \$96 if both adults “time out” at the same time.

In addition, state law provides a number of exemptions that allow recipients to “stop their clock” before they reach 60 months or to receive aid beyond the 60-month limit. Exemptions include age, disability, and a history of child support receipt.

CALWORKS TIME LIMIT DATA FOR JANUARY 2003

The first group of CalWORKs recipients reached the state’s 60-month time limit on January 1, 2003, the most recent month for which Department of Social Services (DSS) data are available. Data show that:

- There were 480,610 cash assistance cases statewide during January 2003;
- Of those, 5,573 (1.2 percent) were safety net cases in which one or more adults reached the state time limit. A total of 14,168 children in these cases continued to receive cash assistance;
- Five counties accounted for nearly two-thirds of the statewide safety net cases: Los Angeles County (1,254); Alameda County (781); Orange County (648); San Diego County (498); and Santa Clara County (487). In comparison, these counties have about half of the statewide CalWORKs caseload.
- Twenty of California’s 58 counties did not have any safety net cases in January 2003.

DSS TIME LIMIT ESTIMATES

The DSS estimates that there will be approximately 64,000 cases in which one or more adults will reach the state time limit between January 2003 and June 2004 (see table). The DSS projects that 95.2 percent of these cases (60,933) will be eligible to receive state safety net funding for the children. More than 73,100 adults are projected to time out between January 2003 and June 2004. However, these estimates may be high. For example, the DSS projected about 15,000 safety net cases for January 2003, while the actual figure was 5,573. Possible reasons for this disparity include a higher-than-anticipated number of families leaving welfare before reaching their time limit, qualifying for exemptions to stop their clocks, or qualifying for exemptions to remain on aid beyond 60 months.

	Estimated Number of Cases Affected by State Time Limit	Number of Adults Projected to Reach State Time Limit
January 2003-June 2003	28,865	32,982
July 2003-June 2004	35,140	40,153
Total	64,005	73,135

Source: Department of Social Services

Scott Graves prepared this Update. The California Budget Project (CBP) was founded in 1994 to provide Californians with a source of timely, objective, and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low- and middle-income Californians. Publication of this Update was supported by grants from the David and Lucile Packard, and William and Flora Hewlett Foundations. This publication is part of a series monitoring the implementation of welfare reform in California. General operating support for the California Budget Project is provided by foundation grants, individual donations, and subscriptions. Please visit the CBP's web site at www.cbp.org.
