



# MONTGOMERY COUNTY: ADULTS RECEIVING TEMPORARY CASH ASSISTANCE IN 2017

Rebecca McColl & Lisa Thiebaud Nicoli

Despite its small size, Maryland is a diverse state. Its 24 jurisdictions sometimes have very different populations, and, consequently, may have very different needs. While statewide data can be extraordinarily helpful to state-level program managers and policymakers, it may not reflect the customers that local departments of social services see in their offices.

To assist local departments in serving their Temporary Cash Assistance (TCA) customers better, we are examining adult recipients in each of the 24 jurisdictions over the course of four years. In this brief we focus on Montgomery County, Maryland's most populous jurisdiction (U.S. Census Bureau, 2017c). Located adjacent to Washington, D.C., Montgomery County is home to 19 federal facilities, including the Food and Drug Administration, the National Institutes for Health, and the National Institute of Standards and Technology (Maryland Department of Commerce, 2018). Montgomery County is Maryland's wealthiest jurisdiction, with a median family income (\$116,960) that is \$25,000 higher than the median family income statewide (\$92,029). One in 20 (4.7%) of the county's families with children under the age of 18 live in poverty, compared to one in ten (10.6%) across the state (U.S. Census Bureau, 2017b). As a result, despite its large population, Montgomery County has only the fifth-largest caseload among Maryland jurisdictions at 5% of the state fiscal year (SFY) 2017 TCA caseload.

Because adult recipients in Montgomery County make up a sizeable portion of the overall caseload, it is valuable to note how they differ from recipients elsewhere in the state. Table 1 provides an overview of the demographic characteristics of Montgomery County recipients. The majority of adult TCA recipients in Montgomery County are African American (61.4%) women (81.1%) in their mid-thirties who never married (56.2%). Compared to the rest of the state, adult recipients in Montgomery County are slightly older, more likely to be male, and more likely to be married. They are also more likely to be Hispanic or an unidentified race or ethnicity—and less likely to be Caucasian or African American.

## KEY FINDINGS

- ❖ Montgomery County adult recipients are typically African American women in their mid-thirties who have never been married.
- ❖ Less than 20% completed high school with no further education, and one in six have a disability expected to last 12+ months.
- ❖ Almost 40% worked in the year before they began receiving TCA, but only one third of employed adults worked all four quarters in that year.
- ❖ Earnings among employed adult recipients in that year were low, with a median near \$7,000.
- ❖ One third of Montgomery County adult recipients who worked in the year before they received TCA were employed in restaurants or administrative and support services.

**Table 1. Demographics**

<b>Gender</b>	
% Female	81.1%
<b>Age</b>	
Average	34.4
<b>Race &amp; Ethnicity</b>	
% Caucasian^	17.1%
% African American^	61.4%
% Hispanic	10.7%
% Other^	10.8%
<b>Marital Status</b>	
% Married	33.2%
% Never Married	56.2%
% Divorced, Separated, or Widowed	10.7%

**Note:** ^=non-Hispanic. Valid percentages reported.

For adult recipients who are required to work or to participate in work-related activities, educational attainment is a particularly important characteristic, as it can affect the job opportunities that available to them. Figure 1 places educational attainment among Montgomery

County adult recipients in context with adult recipients statewide and in other jurisdictions. The lines represent the range of values seen in all 24 jurisdictions, with the bars at the top and bottom indicating the *statewide high*—the highest value across all jurisdictions—and the *statewide low*—the lowest value across all jurisdictions. The square indicates the statewide average, and the colored diamond denotes Montgomery County.

Comparing Montgomery County to the rest of the state reveals that Montgomery County recipients have much higher levels of educational attainment than their counterparts in other jurisdictions. One in six (16.5%) Montgomery County recipients did not finish high school, which is slightly above the statewide low (13.4%), and much lower than the state average (29.3%).

Given the low percentage of adult recipients in Montgomery County who did not finish high school, it is not surprising that the

### Data and Study Population

Data comes from the Client Automated Resource and Eligibility System (CARES) and the Maryland Automated Benefits System (MABS), which are the administrative data systems for TCA and Unemployment Insurance (UI), respectively. CARES provides individual- and case-level data on demographics and program participation for families receiving TCA. Additional data on adult recipients' disabilities comes from WORKS, which documents participation in work and work-related activities. The MABS system includes data from all employers covered by the state's Unemployment Insurance (UI) law and the Unemployment Compensation for Federal Employees (UCFE) program. Together, these account for approximately 91% of all Maryland civilian employment.

There are a variety of limitations to MABS data. MABS only reports data on a quarterly basis, which means that it is not possible to calculate weekly or monthly employment and earnings. Another limitation is that MABS does not contain data on certain types of employment, such as self-employment, independent contractors, and informal employment; consequently, earnings from under-the-table jobs are not included. Finally, MABS has no information on employment outside Maryland. In Montgomery County, almost 30% (28.5%) of residents work out of state, which is well above both the national average (3.7%) and the state average (16.9%) (U.S. Census Bureau, 2017a). As a result, we may be understating employment and some earnings.

The study population in this report is the unique number of adults who received at least one month of TCA in SFY 2017 (July 2016 to June 2017). Statewide, 23,216 adults received TCA in SFY 2017; in Montgomery County 1,417 adults received TCA.

percent of recipients in Montgomery County who finished high school and have no further education (72.7%) is higher than the state average (61.9%). Montgomery County is just three percentage points lower than the statewide high (75.8%) and 19 percentage points higher than the statewide low (53.8%). This indicates that efforts to help adult recipients attain high school diplomas would be better focused on other jurisdictions.

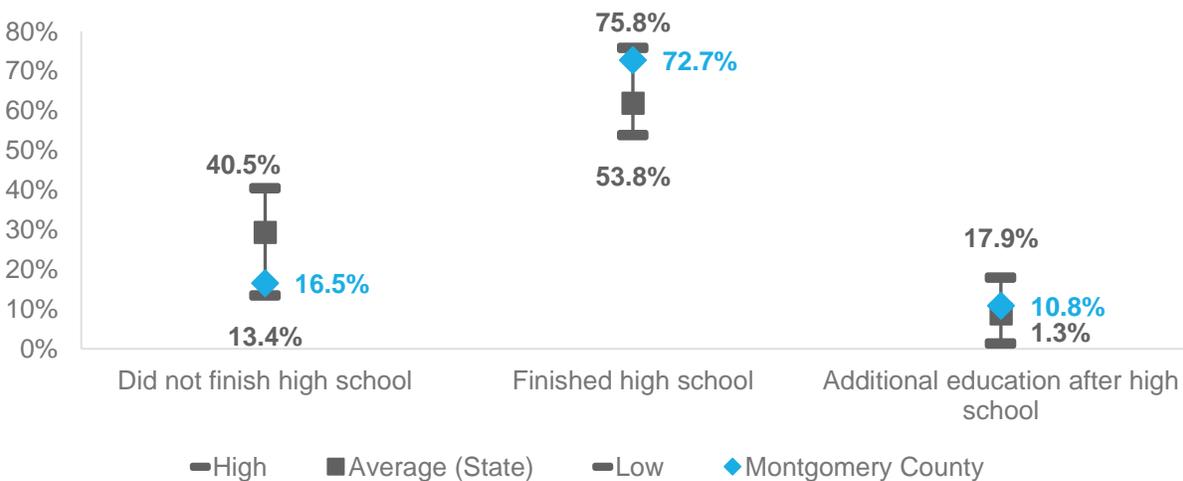
Continuing this trend, Montgomery County recipients are more likely than recipients statewide to have additional education after high school. One in ten Montgomery County adult recipients (10.8%) received additional education after high school, which is higher than the state average (8.8%) but lower than the statewide high (17.9%). This shows that some adult recipients in Montgomery County have additional training or education that could help them find well-paying jobs.

Although Montgomery County is consistently above the state average for educational attainment, many adult recipients in the county could still benefit

from completing high school or getting additional education credentials. Our prior research has found that adults who attain higher levels of education are more likely to find good jobs and achieve economic stability (Nicoli, Passarella, & Born, 2014; James & Nicoli, 2016).

Additionally, the Maryland Department of Human Services is pursuing one potential strategy for increasing educational attainment and improving recipients' job skills through partnering with the Maryland Department of Labor, Licensing & Regulation's Division of Workforce Development and Adult Learning. Adult basic education can help adult recipients who lack a high school diploma with a variety of goals, from improving literacy to completing a GED. Montgomery County currently has several options available for adults wishing to pursue further education, including a GED program and workforce development and continuing education courses through Montgomery College (Montgomery College, n.d.). This type of partnership is encouraged by the federal

**Figure 1. Educational Attainment**



**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. General Education Development program (GED) certificates are included in high school completion rates. Valid percentages reported.

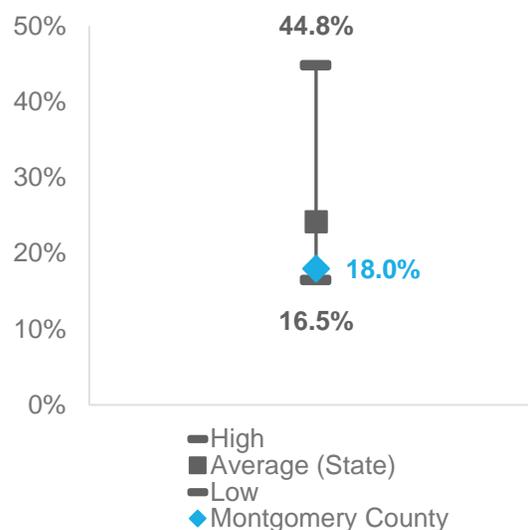
government through the Workforce Innovation and Opportunity Act (WIOA). Maryland is a national leader in ensuring that high-need adults, including TCA recipients, receive priority for career and training services as the law mandates (Center for Law and Social Policy, 2016).

Partnerships with other entities within Maryland's workforce system may also be beneficial for adult recipients with disabilities. Figure 2 shows the percentage of adult recipients who have disabilities that are expected to last longer than 12 months. As with education, the figure includes the percentage for Montgomery County adult recipients, the statewide average, and the highest and lowest percentages among all 24 jurisdictions. Montgomery County has the third-lowest percentage of recipients with a long-term disability in the state. Less than one in five (18.0%) Montgomery County adult recipients are classified as long-term disabled, which is just above the statewide low (16.5%) but six percentage points lower than the state average (24.2%).

Although the percentage of Montgomery County recipients with disabilities is below the state average, a substantial portion of Montgomery County's TCA customers may still require disability-related services. These services could range from assistance in transitioning to a program like Supplemental Security Income (SSI) or help finding jobs that are compatible with a disability. Through a statewide contract with a vendor, caseworkers can already offer assistance to those who need help with applications for disability programs. For those with long-term disabilities who want to work, the

Division of Rehabilitation Services (DORS), located in the Maryland State Department of Education, is an excellent resource. Like the TCA program, DORS is part of Maryland's workforce system, so this is another way that closer collaboration with workforce partners may benefit TCA customers.

**Figure 2. Percent with Disabilities Lasting 12+ Months**



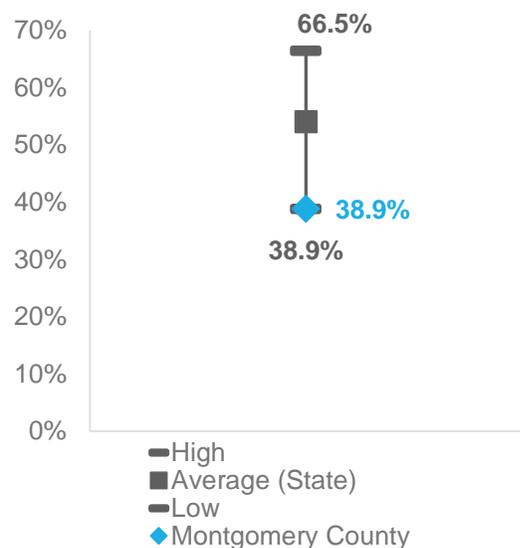
**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

As TCA becomes more fully integrated with its workforce partners, understanding adult recipients' work histories is even more important. After all, past employment experiences can shape future employment and earnings. To that end, Figure 3 displays the percentage of adult recipients who worked in the year before they began receiving TCA.<sup>1</sup> Montgomery County had the lowest percentage of adults employed in the year prior to TCA receipt out of all Maryland's jurisdictions. Fewer than two in five (38.9%) Montgomery County adult

<sup>1</sup> This percentage reflects adult recipients who were engaged in formal employment in a job covered by the Maryland Unemployment Insurance System. Please see the sidebar on page 2 for more information.

recipients were employed in the year before TCA receipt, which is 15 percentage points lower than the state average (54.1%). Because Montgomery County has both high income and low poverty, the lack of employment among TCA recipients is puzzling.

**Figure 3. Percent Employed**  
Year before TCA Receipt



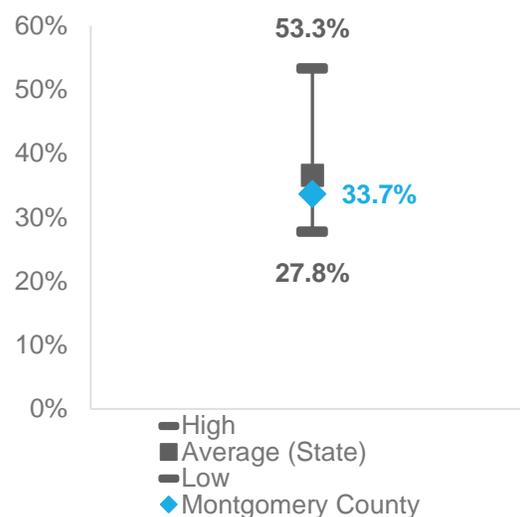
**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

To gain a clearer picture of the employment histories of adult recipients, it can be helpful to know how many quarters they worked in the year prior to TCA receipt. Each year contains four quarters, so Figure 4 presents the percentage of employed adult recipients who worked all four quarters of that year. One third (33.7%) of adult recipients in Montgomery County worked for all four quarters of the year prior to TCA receipt, which is slightly below the state average (36.6%), but six percentage points above the statewide low (27.8%).

The fact that Montgomery County had the lowest percentage of recipients employed in the year prior to TCA receipt, and only one third of these recipients worked all four

quarters, indicates that Montgomery County recipients may need assistance in both finding and retaining employment. Services that assist recipients in their employment search and also help them maintain employment could prove beneficial in helping Montgomery County recipients achieve self-sufficiency.

**Figure 4. Percent Who Worked Four Quarters**  
Year before TCA Receipt



**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

Another important component of adult recipients' employment histories is how much they are able to earn. Figure 5 shows median earnings in the year before adult recipients began receiving TCA for Montgomery County, the state, and the jurisdictions with the highest and lowest earnings. Even though these earnings represent what employed adult recipients earned in one year, it is important to remember that these earnings usually do not reflect full-time, full-year employment.

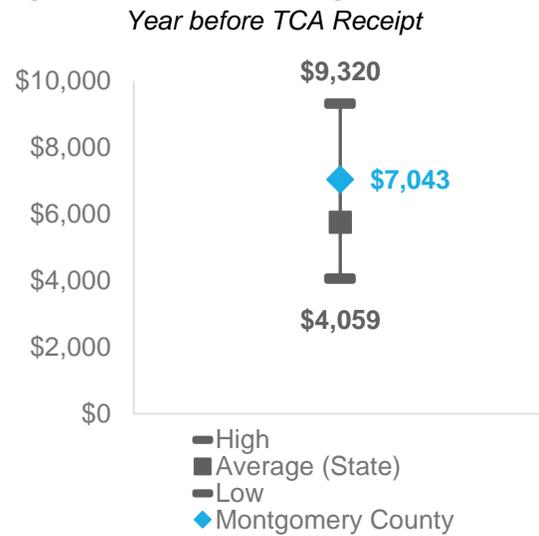
Despite having lower than average levels of employment in the year before receiving TCA, median earnings in Montgomery County were higher than in many other

jurisdictions. Adult recipients in Montgomery County had median earnings of just over \$7,000 (\$7,043), which is higher than the state median (\$5,763) but over \$2,000 lower than the statewide high (\$9,320). Although Montgomery County has higher median earnings than many other jurisdictions in the state, it should be noted that the earnings of adult recipients were still below the federal poverty level, which was \$20,420 for a family of three in 2017 (U.S. Department of Health and Human Services, 2017).

Montgomery County adult recipients have some of the highest levels of educational attainment statewide, in addition to a higher than average median income and lower than average poverty. In contrast, the county has lower than average employment and earnings when compared to the rest of the state. This disparity may be partially due to the fact that Montgomery County has a notably higher rate of out-of-state employment than the rest of the state. Over a quarter (28.5%) of Montgomery County residents who work are employed out of state, compared to one in six (16.9%) across Maryland (U.S. Census Bureau, 2017a). The data used for the purposes of this report does not include employment outside of Maryland, so some employment and earnings may be understated in areas where out-of-state employment is common.<sup>2</sup> Even when considering possible discrepancies due to out-of-state employment, the earnings of employed adult recipients are still quite low. As such, adult TCA recipients in Montgomery County would likely benefit from programs and interventions focused on finding and maintaining sustainable employment that could lead to higher wages.

<sup>2</sup> See sidebar on page 2 for more information on how employment and earnings data is collected.

**Figure 5. Median Earnings**



**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Earnings are standardized to 2017 dollars.

One strategy to increase wages and help adult recipients find stable employment is to focus on the industries in which recipients work. Some industries provide significantly higher wages and more stability than others, and industries can also compensate the same type of work differently. In Table 2, we report the three most common industries among Montgomery County’s adult recipients who worked in the year before receiving TCA.

One out of six (17.1%) worked in the restaurant industry, while one out of eight (12.1%) worked in administrative and support services, and less than one in 10 (8.9%) worked in outpatient health care. Almost 40% of all employed adult recipients in Montgomery County worked in one of these three industries.

Prior research has found that Montgomery County’s top two industries are not associated with high earnings. In fact, adult

recipients who left TCA and initially worked in one of these industries had lower than average earnings and higher than average returns to welfare (James & Nicoli, 2016; Nicoli, Passarella & Born, 2014). Those who left TCA and initially worked in industries such as nursing homes, hospitals, education, and Montgomery County’s third top industry, outpatient health care, had above average earnings (Nicoli et al., 2014) and were more likely to attain economic stability after exit (James & Nicoli, 2016).

**Table 2. Three Most Common Industries**  
Year before TCA receipt

<p><b>Restaurants</b> Full-service or fast food restaurants as well as caterers and mobile food services. (NAICS 722)</p>	17.1%
<p><b>Administrative &amp; Support Services</b> Organizations that support day-to-day operations—clerical, cleaning, and general management activities—and temporary employment services. (NAICS 561)</p>	12.1%
<p><b>Outpatient Health Care</b> Outpatient health care facilities, medical and diagnostic laboratories, and home health care services. (NAICS 621)</p>	8.9%

**Note:** Valid percentages reported.

Although Montgomery County recipients have median earnings above the state average, almost 30% of those who worked in the year before receipt were employed in the top two industries, both of which are associated with low earnings. Helping adult recipients gain employment in higher paying, more stable industries could increase earnings and help guide Montgomery County recipients to the ultimate goal of self-sufficiency.

## References

- Center for Law and Social Policy. (2016). *WIOA priority of service for high-need adults reference guide*. Retrieved from [http://www.clasp.org/resources-andpublications/publication-1/2016WIOA\\_pos\\_referenceguide.pdf](http://www.clasp.org/resources-andpublications/publication-1/2016WIOA_pos_referenceguide.pdf)
- James, A.M., & Nicoli, L.T. (2016). *Economic stability after leaving welfare*. Retrieved from the Family Welfare Research and Training Group website: [http://www.familywelfare.umaryland.edu/reports1/economic\\_stability.pdf](http://www.familywelfare.umaryland.edu/reports1/economic_stability.pdf)
- Maryland Department of Commerce. (2018). *Brief economic facts: Montgomery County, Maryland*. Retrieved from <http://commerce.maryland.gov/Documents/ResearchDocument/MontgomeryBef.pdf>
- Montgomery College. (n.d.). *Workforce Development and Continuing Education*. Retrieved from <http://www.montgomerycollege.edu/academics/workforce-development-continuing-education/index.html>
- Nicoli, L.T., Passarella, L.L., & Born, C.E. (2014). *Industries among employed welfare leavers*. Retrieved from the Family Welfare Research and Training Group website: <http://www.familywelfare.umaryland.edu/reports1/industriesbrief.pdf>
- U.S. Census Bureau (2017a). B08007-Sex of workers by place of work, 2012-2016 American Community Survey 5-year estimates.
- U.S. Census Bureau. (2017b). DP03-Selected economic characteristics: 2012-2016 American Community Survey 5-year estimates.
- U.S. Census Bureau. (2017c). DP05-Demographic and housing characteristics, 2012-2016 American Community Survey 5-year estimates.
- U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. (2017). *2017 poverty guidelines*. Retrieved from <https://aspe.hhs.gov/2017-povertyguidelines>

## ACKNOWLEDGEMENTS

The authors would like to thank Jamie Haskel and Somlak Suvanasorn for their assistance in the collection and processing of data for this research brief as well as Rebecca McColl for data analysis. This brief was prepared by the Ruth Young Center for Families and Children with support from its long time research partner, the Maryland Department of Human Services.

For additional information, please contact Dr. Lisa Nicoli (410.706.2763; [lnicoli@ssw.umaryland.edu](mailto:lnicoli@ssw.umaryland.edu)) at the School of Social Work.

Please visit our website [www.familywelfare.umaryland.edu](http://www.familywelfare.umaryland.edu) for additional copies of this brief and other reports.



525 W. Redwood Street  
Baltimore, MD 21201  
410-706-2479  
[www.familywelfare.umaryland.edu](http://www.familywelfare.umaryland.edu)