



# SOMERSET COUNTY: ADULTS RECEIVING TEMPORARY CASH ASSISTANCE IN 2016

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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, we are examining adult recipients in each of the 24 jurisdictions over the next four years. In this brief, we focus on Somerset County, the southernmost jurisdiction in the state and a part of Maryland's Eastern Shore. Residents are commonly employed by Eastern Correctional Institute, the University of Maryland Eastern Shore, and Sysco Eastern Maryland (Maryland Department of Commerce, 2017). Recent U.S. Census Bureau (2016b) figures show the median family income in Somerset County (\$46,947) is about half of the median family income in Maryland (\$90,089). In 2015, Somerset County had the second-highest unemployment rate (8.3%) of Maryland's 24 jurisdictions (U.S. Department of Labor, 2017), and more than one third (37.2%) of families with children under 18 years old had incomes below the poverty level, compared to one in 10 (10.7%) families statewide (U.S. Census Bureau, 2016b).

Somerset County is very small and similarly comprises less than one percent of Maryland's state fiscal year (SFY) 2016 TCA caseload. Table 1 outlines demographic characteristics of Somerset County adult recipients. Somerset County, like the state as a whole, provides cash assistance benefits to African American (67.5%) and Caucasian (29.9%) women (84.5%) in their early 30s who have often never married (77.1%), but with some small variations. Somerset County adult recipients are more likely to be married (12.3%) and slightly less likely to be female (84.5%) than the statewide caseload (8.8% and 90.5%, respectively). There are more Caucasian adult recipients and fewer African American adult recipients compared to the state (22.1% and 73.5%, respectively), consistent with the rest of the Lower Eastern Shore—that is, the neighboring Wicomico and Worcester Counties.

## KEY FINDINGS

- ❖ Somerset County adult recipients were typically African American women in their early 30s who never married.
- ❖ More than one quarter have not finished high school, and about one in four had a disability that is expected to last over 12 months.
- ❖ Over half worked in the year before they began receiving TCA, but only one third of those employed worked all four quarters in that year.
- ❖ Earnings among employed adult recipients in that year were the lowest in the state, with a median just over \$3,500.
- ❖ Half of Somerset County adult recipients who worked in the year before they received TCA were employed in restaurants, general retail, or nursing homes.

For adult recipients who are required to participate in work-related activities, educational attainment is a particularly important characteristic, as it can affect the job opportunities that are available to customers. Figure 1 places highest educational attainment among Somerset County adult recipients in context with adult recipients statewide and in other jurisdictions. The lines represent the range of values seen in all 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 shows the statewide average, and the colored diamond denotes where Somerset County falls.

Adult recipients in Somerset County have similar educational attainment as the state. Nearly the same percentage of Somerset County’s adult recipients (29.0%) did not finish high school as the statewide average

(31.4%). Somerset County is about 15 percentage points from both the statewide high (41.8%) and the low (14.4%). However, it ranks in the top one third of jurisdictions. To illustrate, 16 jurisdictions have a lower percentage than Somerset County.

**Table 1. Demographics**

<b>Gender</b>	
% Female	84.5%
<b>Age</b>	
Average	30.5
<b>Race &amp; Ethnicity</b>	
% Caucasian^	29.9%
% African American^	67.5%
% Hispanic	1.3%
% Other^	1.3%
<b>Marital Status</b>	
% Married	12.3%
% Never Married	77.1%
% Divorced, Separated, or Widowed	10.6%

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

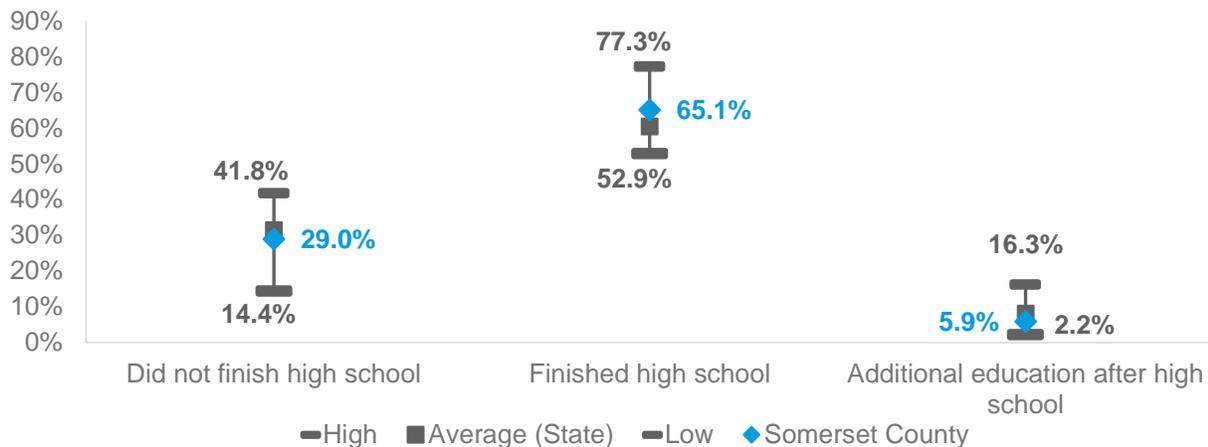
### Data and Study Population

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. Only about 6.5% of Somerset County residents work out of state, which is above the national average (3.8%) but far below the state average (17.1%) (U.S. Census Bureau, 2016a). 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 2016 (July 2015 to June 2016). Statewide, 25,467 adults received TCA in SFY 2016; in Somerset County, 238 adults received TCA.

**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.

Many of Somerset County’s adult recipients have completed high school, but have no additional education. In fact, more (65.1%) finished high school than the statewide average (60.5%). The county’s percentage is exactly in the middle of the statewide high (77.3%) and the low (52.9%), and it also ranks in the middle of Maryland’s jurisdictions for completion of high school.

Few adult recipients have any education beyond high school. About one in 20 (5.9%) of Somerset County’s adult recipients have additional education beyond high school, which is lower than the statewide average (8.1%). This is 10 percentage points lower than the statewide high (16.3%) and about four percentage points higher than the statewide low (2.2%). Likewise, the county ranks in the bottom third of jurisdictions.

Despite the fact that seven in 10 Somerset County adult recipients completed high school, some still need a high school degree while others could gain additional education or credentials. Our research shows that the more education adults have, the more likely they are to find good jobs or

to realize economic stability (Nicoli, Passarella, & Born, 2013; James & Nicoli, 2016). Somerset County Public Schools offer adult education services (Maryland Department of Labor, Licensing & Regulation, n.d.), and residents have the opportunity to enroll in Wor-Wic Community College at the in-county tuition rate (Wor-Wic Community College, n.d.-a). Also, Wor-Wic Community College offers free tuition to recent high school graduates residing in Somerset County (Wor-Wic Community College, n.d.-b).

The Maryland Department of Human Services is also pursuing a strategy to increase educational attainment by partnering with the Maryland Department of Labor, Licensing & Regulation’s Division of Workforce Development and Adult Learning. They provide adult education and other employment services at Salisbury’s One-Stop Job Market, an American Job Center (One Stop Job Market, n.d.), as a part of the federal law, Workforce Innovation and Opportunity Act (WIOA). In fact, WIOA encourages this partnership, and Maryland

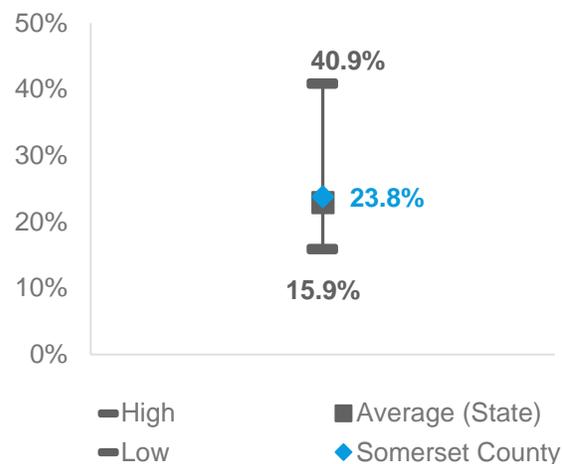
has been a leader in ensuring that TCA recipients receive priority of service (Center for Law and Social Policy, 2016).

Other partnerships may 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<sup>1</sup> for Somerset County adult recipients, the statewide average, and the highest and lowest percentages among all 24 jurisdictions. Less than one quarter (23.8%) of adult recipients in Somerset County have a disability lasting longer than 12 months, which is nearly identical to the statewide average (23.0%). When ranked, Somerset County is in the middle of all jurisdictions. Yet, there are jurisdictions with much higher percentages of adult recipients with disabilities as the statewide high is just over 40%, placing Somerset County within eight percentage points of the statewide low and 17 percentage points from the high.

Although Somerset County's percentage is closer to the statewide low, there are nevertheless a quarter of adult recipients who may require disability-related services such as assistance with applications for federal disability programs or support for finding and keeping jobs while managing disabilities. For those who want to work, the Division of Rehabilitation Services (DORS), with a location in Salisbury in neighboring Wicomico County, may be 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 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.

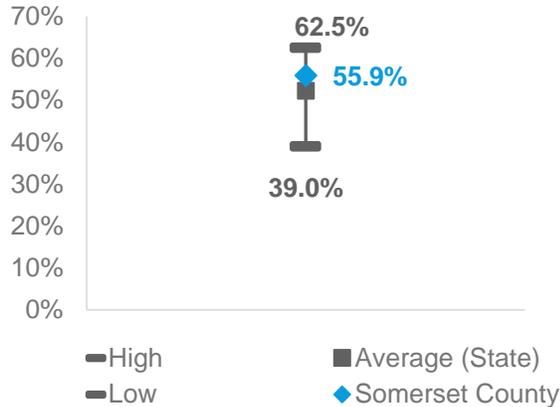
As TCA moves toward being more fully integrated with its workforce partners, understanding adult recipients' work histories is even more important. Figure 3 displays the percentage of adult recipients who worked in the year before they began receiving TCA.<sup>2</sup> Over half (55.9%) of Somerset County's adult recipients were employed in the year prior to TCA receipt, which is marginally higher than the statewide average (52.2%) and ranks in the middle of all jurisdictions. Although the percentage of employed adult recipients in Somerset County was far above the statewide low of 39%, it was below the statewide high of 63% and one of 19

<sup>1</sup> This data, which comes from WORKS, represents the percentage of adult recipients with an *OTD* code at any point in SFY 2016. *OTD* is a state-defined activity code indicating that the individual has a disability that is expected to last over 12 months.

<sup>2</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 data on page 2 for more information.

jurisdictions where the employment rate was between 50% and 60%.

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

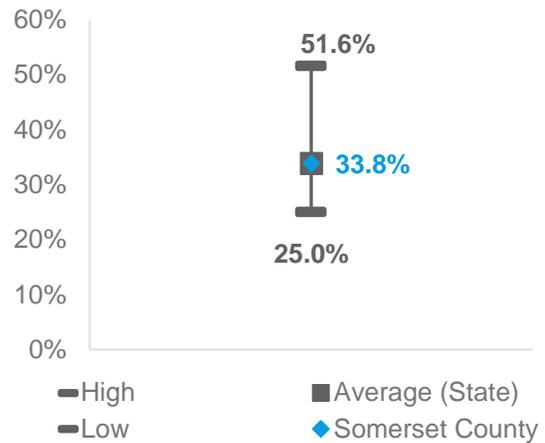


**Note:** *High* refers to the jurisdiction with the highest percentage. *Low* refers to the jurisdiction with lowest percentage. Valid percentages reported.

It may also be helpful to know how many quarters adult recipients worked in the year before they began receiving TCA. Figure 4 presents the percentage of employed adult recipients who worked all four quarters of that year. One third (33.8%) of employed adult recipients in Somerset County worked all four quarters during the year prior to TCA receipt, which is virtually identical to the statewide average (33.9%). Somerset County falls in the middle of jurisdictions when ranked by this measure. Although the statewide high is over 50%, the percentage employed in all four quarters falls between 30% and 40% in 14 jurisdictions.

These findings indicate that many adult recipients have worked in the recent past, but two thirds of those who were employed did not work consistently over the course of a year. High unemployment in Somerset County and the Lower Easter Shore region may also play a role in inconsistent work (Department of Labor, Licensing &

**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.

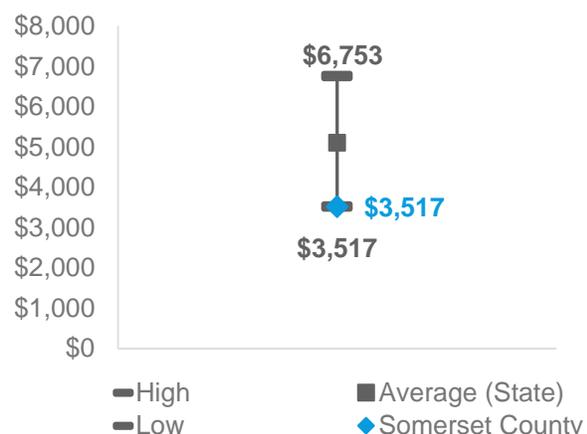
Regulation, 2016). Some of Somerset County's adult recipients may need assistance in finding a job, but others may require ongoing services to retain employment long-term.

Another critical aspect 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 Somerset 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. Very low earnings may be the reason that adult recipients ultimately decided to obtain support through the TCA program. Median earnings in the year before TCA receipt in Somerset County were \$3,517, which was the statewide low and far below the statewide average of \$5,098. The county's median earnings were half of the statewide high (\$6,753). Clearly,

earnings for adult recipients were well below \$20,160, which was the 2016 federal poverty threshold for a three-person household (U.S. Department of Health and Human Services, 2016).

Low earnings are also characteristic of the county as families in Somerset County earned \$40,000 less than families in Maryland, and nearly two in five families live below the poverty level (U.S. Census Bureau, 2017a). In this context, it is not surprising that adult recipients in Somerset County have substantially lower earnings than in other jurisdictions, making the costs of working—transportation, uniforms, and childcare—potentially prohibitive.

**Figure 5. Median Earnings**  
Year before TCA Receipt



**Note:** *High* refers to the jurisdiction with the highest earnings. *Low* refers to the jurisdiction with lowest earnings. One jurisdiction was excluded from this figure as it represented an outlier in the data. Earnings are standardized to 2016 dollars.

One strategy to increase wages focuses on the industries in which adult recipients work. Some jobs can be performed in different industries. For example, administrative assistants may work in health care settings,

in schools, or in private firms, but each industry may compensate them differently. In Table 2, we report the three most common industries among Somerset County adult recipients who worked in the year before receiving TCA.<sup>3</sup> Nearly one quarter (24.1%) worked in the restaurant industry, while 17% worked in the general retail industry and one in 10 (10.5%) worked in the nursing home industry. Statewide, about one third of employed adult recipients were working in one of these three industries compared to half in the county.

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

<b>Restaurants</b> Full-service or fast food restaurants as well as caterers and mobile food services. (NAICS 722)	24.1%
<b>General Retail</b> Department stores and other general merchandise stores. (NAICS 452)	16.5%
<b>Nursing Homes</b> Organizations that provide health and social services such as nursing homes, substance abuse facilities, or residential care for the mentally ill. (NAICS 623)	10.5%

**Note:** Valid percentages reported.

Prior research found that those who left TCA and initially worked in the restaurant or general retail industries have below-average earnings, and they were more likely to return to TCA (Nicoli, Passarella, & Born, 2014). They were also less likely to realize economic stability after exiting TCA (James & Nicoli, 2016). In contrast, individuals who left TCA and initially worked in nursing homes, outpatient health care, hospitals,

<sup>3</sup> Industries were identified with three-digit North American Industry Classification System (NAICS) codes and are described in Table 2.

and education industries had above-average earnings (Nicoli et al., 2014) and were more likely to attain economic stability after exit (James & Nicoli, 2016). While higher paying industries, such as healthcare, may require training, the county and state are equipped to provide those services to adult and adolescent TCA recipients who wish to enter these industries.

Employment resources for adolescents already exist in Somerset County in the form of the J.M. Takes Technology and Career Center, where individuals can earn technical degrees. Efforts to provide concrete job opportunities for youths and their parents align with Governor Hogan's recent executive order to apply a *Two Generation Approach* to poverty and break the cycle of multi-generational poverty (Executive Order 01.01.2017.03, 2017).

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