

# Cash assistance cases still above pre-recession levels

## Caseloads have dropped from peak

By **CLAIRE WITHYCOMBE**  
Capital Bureau

SALEM — The number of Oregonians receiving federal cash assistance remains higher than it was at the start of the Great Recession, but state analysts expect the number to shrink to pre-recession levels by early 2019.

The number of people receiving Temporary Assistance for Needy Families, or TANF, the federal cash assistance program for people experiencing poverty, to an extent reflects the state's uneven economic recovery.

As of June, there were 18,624 TANF cases in Oregon, translating to 45,978 people, according to the Oregon Department of Human Services. Caseloads have dropped off significantly from their peak in early 2013.

The program is "highly sensitive to the job market," according to a recent Department of Human Services report.

The report looked at caseloads for the program between January of 2008 and Decem-

ber 2016 in each of Oregon's 36 counties.

Families who earn less than 37 percent of the federal poverty level are eligible for cash assistance. That's about \$630 per month for a family of three, according to the state.

While overall the state is experiencing a tight labor market, employment rates haven't recovered uniformly across the state — and neither have caseloads for social welfare programs such as TANF and food stamps.

Multnomah County, for example, which has seen both rapid growth in employment and in migration, in December 2016 had TANF caseloads that were actually 2 percent lower than they were in January of 2008.

By contrast, employment in central Oregon's Crook County is 14.1 percent lower than it was in January 2008, and TANF caseloads are 18.6 percent higher.

And while employment is generally a solid indicator of what TANF caseloads will look like, there are also other factors at play.

For example, even though southern Oregon's Jackson County saw a 7.5 per-

cent growth in employment between 2008 and 2016, its TANF caseloads have

increased by about 88 percent in that period.

### Contractions

Gregory Tooman, a regional and caseload forecaster for the Department of Human Services, says that contractions in certain areas of the economy may not have made a dent in TANF caseloads because jobs in those sectors require specialized training, licenses or skills. People who receive cash assistance are more likely to be low-skilled, semiskilled or unskilled workers.

In addition, some recipients of cash assistance may be working, but are doing so part time or in very low-wage jobs.

The state report also points to Morrow County as an "extreme outlier." While the north central Oregon county has seen more high-tech jobs at new data cen-

ters and a 42 percent growth in employment, many of those jobs require specialized

skills and have been occupied by people moving into the county.

It's also worth noting that with a relatively small population — just over 11,200 according to 2016 census estimates — a 42 percent leap in employment in Morrow County translates to relatively small real numbers. Same goes for the county's TANF caseloads, which jumped 56.4 percent between 2008 and 2016.

Generally, caseloads for programs such as cash assistance are also "sticky" indicators that take a while to bounce back from bad economic times, says state economist Josh Lehner.

And other parts of the social safety net may be even slower to bounce back from pre-recession levels than cash assistance: the Supplemental Nutrition Assistance Program, colloquially referred

to as food stamps, is available to more people because it has a higher income limit.

People receiving SNAP are typically required to work as well.

It has also taken longer for Oregon's rural areas to recover compared to Portland and secondary metro areas such as Bend and Corvallis.

### Mirrors national trend

While robust population growth in Portland and other areas of the state has driven demand for certain services, Oregon also mirrors a national trend: metropolitan areas with more diverse economies tend to recover from downturns more quickly.

And in Oregon, part of the delay when it comes to reducing welfare caseloads may also have something to do

with a statewide dip in middle-wage job growth.

While high-wage jobs and low-wage jobs have reached pre-recession levels, jobs that fall in the middle of the income scale are growing more slowly.

That lagging growth isn't just the result of the contraction of the oft-discussed manufacturing sector and timber industry, but also in "pink collar" administrative and office jobs traditionally held by women, Lehner said.

Many of those jobs were made obsolete by technological advances and efficiencies, and saw a severe dip after the recession, especially in rural areas. The recession also led to cuts in public sector jobs, which typically take up a greater share of jobs in rural Oregon.

The Capital Bureau is a collaboration between EO Media Group and Pamplin Media Group.

**Caseloads for programs such as cash assistance are also 'sticky' indicators that take a while to bounce back from bad economic times**

## Task force eyes state assets that could reduce pension liability

By **CLAIRE WITHYCOMBE**  
Capital Bureau

PORTLAND — From the state's liquor control commission to its approximately 4,600 parking spaces, a group appointed by the governor is starting to scrutinize ways to make the most of state assets to reduce pension obligations.

In April, Gov. Kate Brown announced she was appointing a task force to address the unfunded actuarial liability in the Public Employees Retirement

System, which now stands at about \$21.8 billion.

The seven-member group, tasked with finding a way to reduce that amount by \$5 billion, had its first meeting Monday.

The unfunded actuarial liability of the system is the amount of money that the state's obligations exceed the system's assets currently will be able to pay.

And the \$21.8 billion amount may grow, though it's not yet clear by how much. On Friday, the PERS board is expected to adopt rules reduc-

ing the rate it assumes investments of the Public Employees Retirement Fund will earn annually.

You can think about PERS like an algebra equation: Since a certain amount of benefits are guaranteed to employees, reducing the assumed earnings rate will increase the amount of money that public employ-

ers — such as school districts, cities and counties — will have to contribute to the system to pay those benefits.

Membership in the task force draws on the public and private sector, and ranges from the CFO of Oregon Health & Science University to the CEO of the Portland tech company Zappos.

**WANTED**

**Alder and Maple Saw Logs & Standing Timber**

**Northwest Hardwoods • Longview, WA**

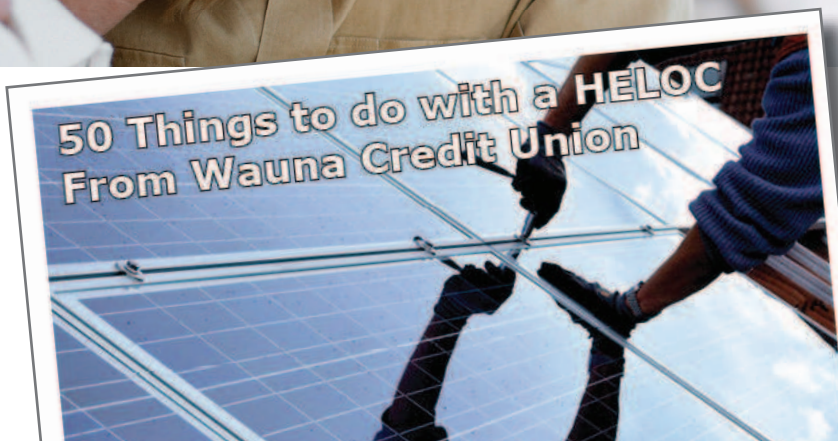
Contact: John Anderson • 360-269-2500

**It's Your Summer Of Adventure!**  
**Have Fun Now with a new Motorcycle, RV, Boat, or other Sport Vehicle!**  
**Get an affordable loan from Wauna Credit Union!**



## VISA For Vacation!

**Get an affordable Platinum or Rewards VISA Credit Card from Wauna Credit Union!**  
**Low Rates! Few Fees! Great Rewards!**  
*Take our Credit Card on vacation & have an even better time!*



**Our Home Equity Line Of Credit special ends August 31, 2017, so put that equity to work now!**

#24 GO SOLAR!

Apply for a Home Equity Line Of Credit at [waunafcu.org](http://waunafcu.org) or 800-773-3236

**Wauna Credit Union**

50 YEARS

Wauna Credit Union

Trusted Since 1967

[waunafcu.org](http://waunafcu.org) • 800-773-3236

Membership at Wauna Credit Union is open to anyone who lives, works, attends school or worships in Clatsop, Columbia, or western Washington Counties in Oregon, or Pacific County in Washington.

