August 2021

Characteristics of Early Pandemic TCA Recipients

Natalie Demyan & Letitia Logan Passarella

In early 2020, families around the globe suddenly became vulnerable to serious illness and death from the COVID-19 virus. In an effort to curb the spread of the virus, many governments implemented closures and restrictions from places of work, childcare centers, schools, and other institutions. The resulting economic disruption caused unemployment in the U.S. to soar to its highest recorded level of 14.7% in April of 2020 (U.S. Bureau of Labor Statistics [BLS], 2020). Maryland experienced a similar jump in unemployment to 9% in April and May of 2020 (Maryland Department of Labor, n.d.). Many of the jobs lost across the country were in industries such as educational services, leisure and hospitality, manufacturing, and wholesale and retail (Center on Education and the Workforce, 2020). To add, 80% of job losses occurred among those in the bottom 25% of wage distribution (Gould & Kandra, 2021), so many families with incomes that were already low were made even more vulnerable as a result of the pandemic.

Given heavy employment losses, it is not surprising that families would turn to Temporary Cash Assistance (TCA, Maryland's version of the Temporary Assistance for Needy Families (TANF) program) for interim support during the pandemic. In the wake of the pandemic, Maryland's TCA program responded by adopting more flexible procedures and requirements for receipt (Maryland Department of Human Services [DHS], 2020; Goldstein, 2021). Hence, the TCA caseload grew by 27% between SFYs 2019 and 2020 after declining since 2012; additionally, three in every five families receiving TCA in the initial months of the pandemic were new to the program (Passarella & Smith, 2021). Not only were many of these recipients new, but they also had characteristics that differed from typical TCA recipients. For example, adult recipients were less likely to be Black and more likely to be men, married, and to have education beyond high school (Passarella & Smith, 2021). This brief further explores families who began receiving TCA at the start of the pandemic by examining whether they were new to the program.

Main Findings

Families joining TCA from April to June of 2020 (n=9,809)

- One in 10 (**11%**) families were **new to TCA and SNAP**, while half (**50%**) were **new to TCA**. Two in five (**39%**) families had **previous TCA receipt**.
- Most (**73%**) previous recipients were **independent from TCA** for more than **two years**.
- The **majority** of previous recipients (78%) and recipients new to TCA (64%) had **received SNAP in the month before TCA receipt**.
- Adult recipients **new to TCA and SNAP** were the **most highly educated cohort** (54% with a H.S. diploma and 32% with postsecondary education), followed by those new to TCA (65% and 18%) and previous recipients (66% and 11%).
- Recipients **new to TCA and SNAP** had the **lowest employment** rate (49%) but the **highest earnings** ($13,813).

In order to identify any differences between new and returning families, this brief investigates families who are *previous recipients*, *new to TCA*, and *new to TCA and to the Supplemental Nutrition Assistance Program (SNAP)*. In particular, we answer the following research questions:

1. What are the characteristics of families who receive TCA?
2. What are the demographic characteristics of adult recipients?
3. What were adult recipients' employment experiences prior to receiving TCA?

Due to the influx of new families during the pandemic, the demographic characteristics of TCA recipients have shifted, potentially for a substantial length of time. It is necessary for policymakers, practitioners, and other stakeholders to understand the strengths and challenges of the diversity of families receiving TCA in order to help this changing caseload reach self-sufficiency.

Data and Study Population

Data

Data come 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. The MABS system includes data from all employers covered by the state's 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. Because out-of-state employment is common in Maryland,[1] we are likely understating employment and may be missing some earnings.

Study Population

The study population for this report is composed of the *pandemic* cohort of the SFY 2020 update to the *Life on Welfare* report. This includes every family who began receiving TCA between April and June of 2020, which is the start of the COVID-19 pandemic. There were 9,809 unique families who began receiving TCA from April to June of 2020, including 10,227 adult recipients. Demographic and employment analyses are only for adult recipients.

For additional information on the study population for this brief, please refer to the SFY 2020 update to the *Life on Welfare* report.

[1] One in six (16.8%) Maryland residents works out of state, which is over four times greater than the national average (3.5%) (U.S. Census Bureau, n.d.).

Residence of Pandemic Families

The economic impacts related to the COVID-19 pandemic resulted in a 27% increase in families receiving TCA between SFYs 2019 and 2020 (Passarella & Smith, 2021). Additionally, Maryland implemented several federal waivers that made it easier for families to join the TCA program, including waiving work requirements and simplifying application procedures (DHS, 2020; Pegg, 2020). There were nearly 10,000 families that began receiving TCA during the first three months of the pandemic (April to June of 2020). Notably, the majority of these families had never before received benefits from the program as an adult.

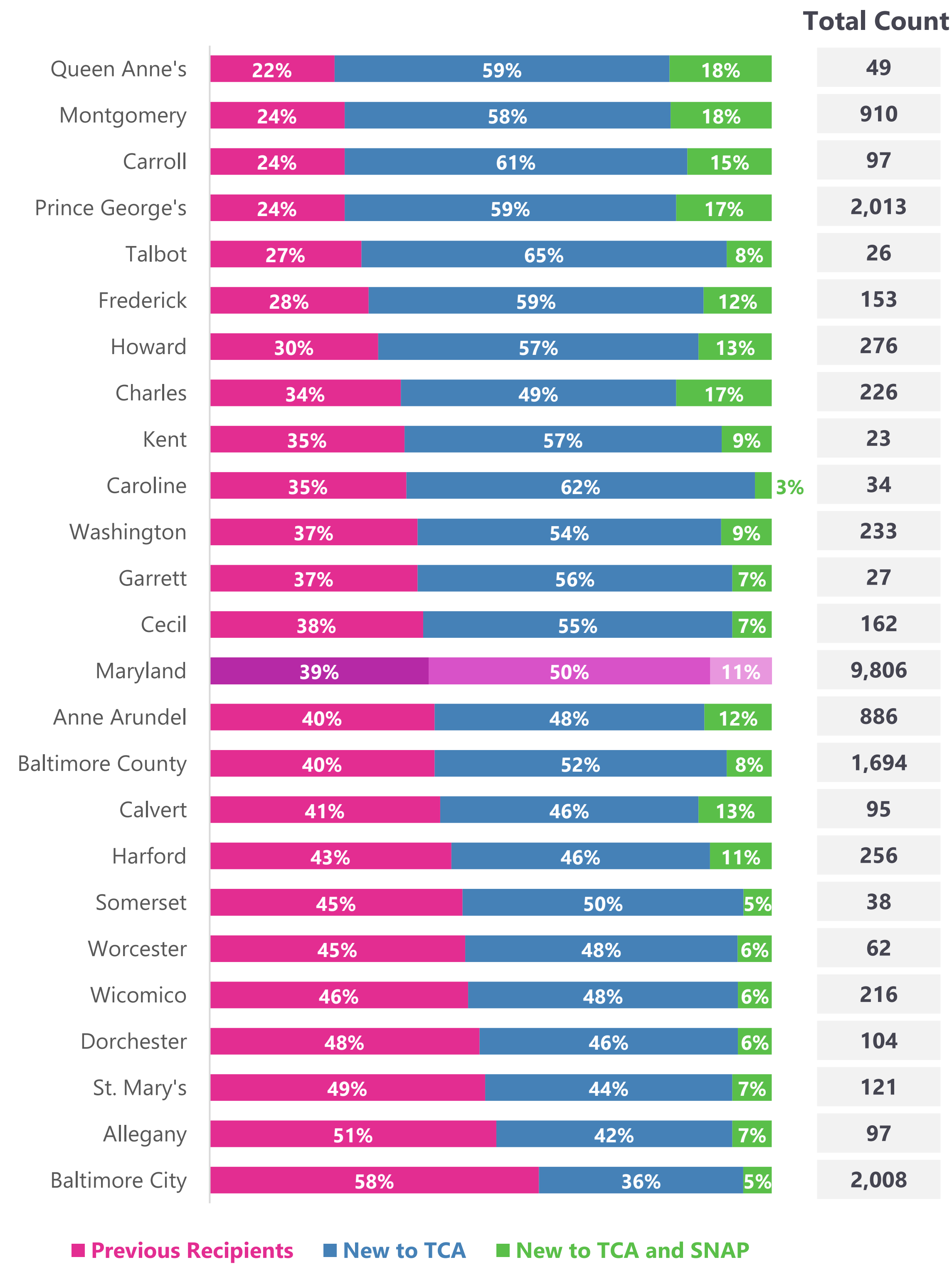
Families who had not received TCA nor SNAP benefits comprise the *new to TCA and SNAP* cohort; as shown in Figure 1, one in 10 (11%) families during the pandemic had not received benefits from either program in the past. The second cohort includes families who were new to TCA but had previously participated in SNAP. In Maryland, half (50%) of families were in the *new to TCA* cohort. The final cohort—*previous recipients*—represents families who received TCA at some point before SFY 2020, and they constituted two fifths (39%) of early pandemic families.

The percentage of families in each of these cohorts varied at the jurisdictional level, and jurisdictions had varying caseload sizes. For example, while Queen Anne's County had the smallest share of previous recipients (22%), there were only 49 families in the county who began receiving TCA from April to June of 2020. Montgomery County served a similar portion of previous recipients (24%) with roughly three in five (58%) being new solely to TCA, but the county had considerably more families (n=910) beginning TCA benefits in the initial months of the pandemic. Along with Queen Anne's County, Montgomery County had the largest share of recipients new to both TCA and SNAP (18%).

Of the jurisdictions with the largest TCA caseloads, there were some notable differences in cohorts. The cohort percentages in Prince George's County closely mirrored those of Montgomery and Queen Anne's counties. In Anne Arundel and Baltimore counties, though, two in five (40%) pandemic recipients had previously received TCA. In both jurisdictions, three in five (60%) recipients were either new to TCA or new to TCA and SNAP, but Anne Arundel County had slightly more recipients who were new to TCA and SNAP (12% vs. 8%). Baltimore City had the largest share of previous recipients in their early pandemic cases, as three in five (58%) had received cash assistance in the past. Nonetheless, the impact of the pandemic on new families was reflected in the more than one in three (36%) families who were new to TCA in addition to the 5% who were new to both TCA and SNAP.

Other patterns across the state are also evident. For Dorchester, Somerset, Wicomico, and Worcester counties, all located in the southern region of the Eastern Shore, about half of families had previously received TCA (45% to 48%) or were new to TCA but received SNAP prior to the pandemic (46% to 50%); few were new to TCA and SNAP (5% to 6%). Regarding the remainder of the Eastern Shore (Cecil, Kent, Queen Anne's, Caroline, and Talbot counties), there were fewer previous recipients: 55% to 65% were new to TCA but had prior SNAP receipt.

Figure 1. Cohorts by Jurisdiction***



Note: Jurisdictions are ordered by the percentage of previous recipients. *p<.05, **p<.01, ***p<.001.

Case Characteristics

Families who were new to TCA had fewer children on their cases, while previous recipients had more child recipients, increasing the total number of recipients. As shown in Table 1, less than half (45%) of previous recipients had no children or one child, compared to more than 60% among the other two cohorts. More than half of previous recipients had multiple children on their cases with three in 10 (29%) having two children and one quarter (25%) with three or more children, summing to 54%. Only two in five (39%) families new to TCA and one third (34%) of families new to TCA and SNAP had multiple children on their cases. In fact, the percentage of families with three or more children was 10 or more percentage points higher among previous recipients compared to both cohorts with new TCA families.

Nearly all (92%) previous recipients had one adult recipient on the case, while families in both cohorts new to TCA were less likely to have one adult recipient on the case, at four in five (80%) for families new to TCA and just under three in four (72%) for families new to TCA and SNAP. Cases with no adult recipients, or cases with just child recipients, were uncommon among all three cohorts. Previous recipients (2%), though, were less likely to have no adult recipients compared to those new to TCA (8%) and new to TCA and SNAP (13%). There is a similar trend for cases with two adults: the smallest percentage was among previous recipients (6%), doubling to 12% among families new to TCA and increasing to 15% among those new to TCA and SNAP.

Families without prior experience of TCA had slightly different characteristics than families who had received TCA in the past. Having more child-only cases could mean newer TCA families include parents receiving disability benefits or children who are cared for by a relative. It could also mean the parents are undocumented; these parents may face many barriers to economic self-sufficiency (Capps et al., 2016). Larger shares of cases with zero children (9% and 13%) also implies there were more special circumstances—like a pregnant head of household or children who receive disability, subsidized adoption, or foster care payments—among families new to TCA and new to TCA and SNAP. In providing a temporary cash benefit, TCA is an effective and valuable safety net for families experiencing a range of circumstances and potential barriers to work.

Table 1. Number of Adult and Child Recipients***

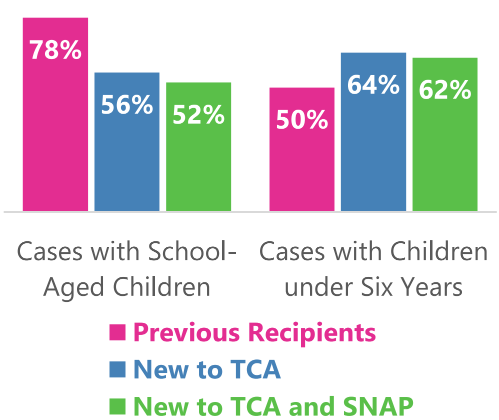
	Previous Recipients n=3,780	New to TCA n=4,941	New to SNAP and TCA n=1,088
Number of Child Recipients			
0	3%	9%	13%
1	42%	52%	53%
2	29%	24%	22%
3+	25%	15%	12%
Number of Adult Recipients			
0	2%	8%	13%
1	92%	80%	72%
2+	6%	12%	15%
Number of Recipients			
1	4%	13%	20%
2	40%	46%	43%
3	29%	25%	22%
4+	26%	17%	15%

Note: Cases without any child recipients include families with either a pregnant head of household or children who receive disability, subsidized adoption, or foster care payments. Percentages may not total to 100% due to rounding. *p<.05, **p<.01, ***p<.001.

Given that the COVID-19 pandemic led to widespread school closures, many families with school-aged children had to accommodate their educational needs, whether that be through altering the family's routine, purchasing equipment for remote learning, or reducing workforce participation to supervise children in virtual classes. Families joining TCA at the beginning of the pandemic frequently had school-aged children, but this was more common among previous recipients with over three quarters (78%) having one or more children between the ages six and 18. Roughly half of families new solely to TCA (56%) and new to TCA and SNAP (52%) had school-aged children.

In order for parents to work, young children under age six often require childcare as well. Childcare centers likewise faced restrictions and closures, leaving parents of young children with fewer options (Weeldreyer et al., 2020). Although half (50%) of previous recipient families had a child under age six, nearly two in three families new solely to TCA (64%) and new to TCA and SNAP (62%) had a child who was not yet school-aged.

Figure 2. Ages of Children***



Note: Cases without child recipients (n=772) are excluded from analysis. Percentages do not total 100% as families can have children in both categories. *p<.05, **p<.01, ***p<.001.

Program Participation

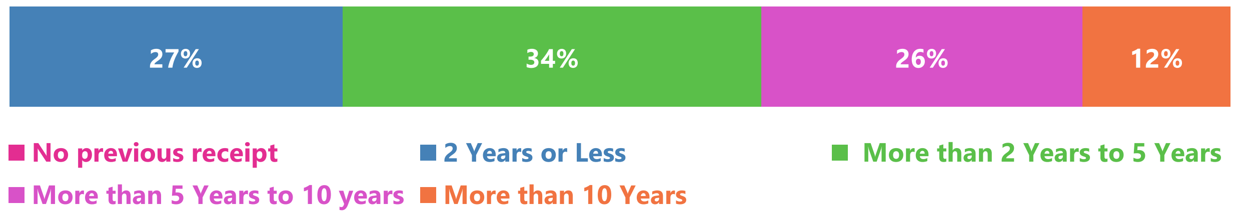
It could be expected that in a time of high unemployment many families would turn to TCA for support. For families who had previously received TCA, they may have been able to maintain self-sufficiency for a number of years prior to returning. Had it not been for the pandemic, such families might have been able to remain off TCA entirely.

Nearly **3 in 4** families who previously received TCA were **independent from TCA for more than 2 years** before they returned at the beginning of the pandemic.

One in 10 were independent from TCA for **more than 10 years**.

Figure 3 investigates how long previous recipients of TCA were independent from the program before returning in the initial months of the pandemic. Just over one quarter (27%) were able to remain off TCA for up to two years. One in three (34%) previous recipient families went without TCA benefits for a period of two to five years before returning at the beginning of the pandemic. Another quarter (26%) stayed off TCA for five to 10 years, and over one in 10 (12%) did not receive TCA benefits for more than one decade. For most previous recipients, particularly the nearly three in four (72%) families who were independent from TCA for more than two years, it is likely that they would have been able to stay off the program for a longer period of time if not for the pandemic. TCA is designed to be temporary relief for families during times of crisis, so it is not surprising that families largely independent from the program returned after the closure of many workplaces, schools, and childcare providers.

Figure 3. Months since Last Receipt of TCA
Among Previous Recipients



The SNAP program has broader eligibility criteria, allowing more families and individuals—particularly those who are employed and ineligible for other forms of public assistance—to receive benefits. These broader criteria make for a much larger caseload than the TCA program. Still, there are important connections between TCA and SNAP. Previous research suggests that SNAP can be a pathway to TCA for families (Passarella & Smith, 2021). For example, a family may have only been eligible for SNAP, then became connected to TCA due to a sudden job loss or crisis. SNAP is also an essential benefit for Maryland families as they leave TCA, since the vast majority of families who leave the program receive SNAP benefits in the year after exit (Hall & Passarella, 2020).

Figure 4 shows the number of months before joining TCA that families last received SNAP. Because families new solely to TCA have utilized SNAP in the past, the figure includes the prior recipients and new to TCA cohorts, but excludes those who were new to both TCA and SNAP.

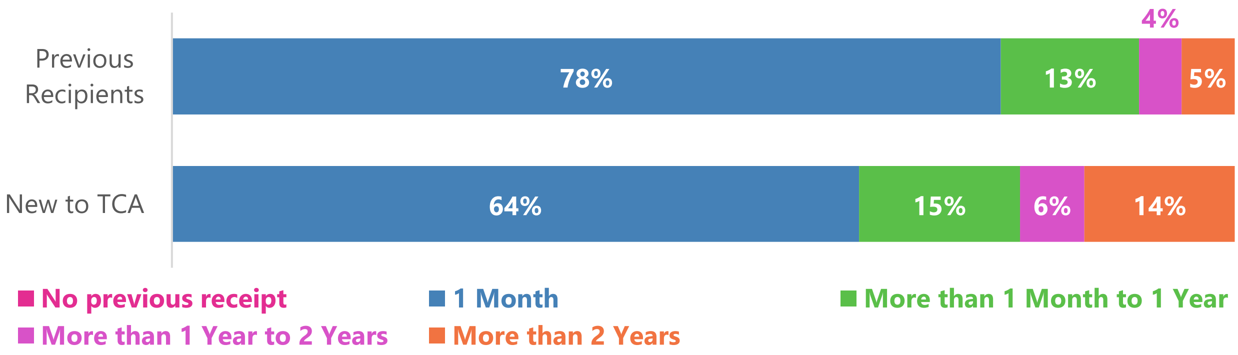
Figure 4 makes it clear that many families in both cohorts utilized SNAP recently. Benefits from the SNAP program may have enabled these families to stay off TCA longer than otherwise, until the pandemic hit. Nearly four in five (78%) previous recipient families had SNAP benefits in the month before returning to TCA, suggesting that SNAP may have been a necessary safety net benefit ever since they last received TCA. Similarly, almost two in three (64%) families new solely to TCA received SNAP in the month before participating in TCA for the first time.

Longer-term breaks from the SNAP program were not common, indicating how difficult it is for low-income, working families to leave the safety net. Affirming the fragile economic stability of families receiving SNAP, prior research has found that although most SNAP recipients throughout the U.S. receive benefits for a spell lasting two years or less, reentry to the program within two years was common (Leftin et al., 2014). Previous recipient families (5%) were less likely than families new solely to TCA (14%) to be independent from SNAP for more than two years. However, both groups were likely to have recent receipt of SNAP before the pandemic occurred, reiterating the reality that few of these families had total independence from public assistance.

It can be expected that, absent any substantial increase in their earnings, families will have to continue receiving SNAP benefits in the long run to meet their basic needs.

Figure 4. Months since Last Receipt of SNAP***

Among Previous Recipients and Recipients New to TCA



Adult Recipient Characteristics

Given the differences already highlighted between cohorts, it is worthwhile to examine the characteristics of adult recipients by cohort in order to identify interventions that could improve families' self-sufficiency. Adult TCA recipients starting receipt in the early months of the pandemic had different characteristics than adult recipients beginning receipt in the nine months before the pandemic (Passarella & Smith, 2021), meaning case managers likely had to tailor services to these customers. Pandemic recipients were more likely to be male; White, Latinx, or another race or ethnicity; married; and to have education beyond high school (Passarella & Smith, 2021).

Table 3 further explores characteristics among the three cohorts. Previous recipients and recipients new to both TCA and SNAP were an average age of 34; recipients new solely to TCA were an average age of 32. This is consistent with the average age of TCA recipients prior to the pandemic (33 years; Passarella & Smith, 2021). There are some differences, however, when examining ages by category. For example, previous recipients were less likely to be in younger age categories. Just 9% had adult recipients younger than 25 years, whereas over one in five of those new to TCA (23%) and those new to TCA and SNAP (22%) were younger than 25 years.

Previous recipients' racial and ethnic makeup was similar to that of a typical adult recipient before the pandemic. Three in four (75%) previous adult recipients were Black, while one in five (20%) were White. Few were Latinx (4%) or of a different race or ethnicity (2%). Compared to previous recipients, adults who were new to TCA and new to TCA and SNAP were less likely to be Black (58% and 54%), but they were more likely to be White (29% and 24%), Latinx (20% and 14%), or some other race or ethnicity (4% and 8%).

The majority of adult TCA recipients are women. In the months prior to the pandemic, 90% of recipients were female, but this trend shifted to 84% among recipients who began receiving TCA in the early months of the pandemic (Passarella & Smith, 2021). Following the trend of mirroring adult recipients prior to the pandemic, previous adult recipients (92%) were more likely to be female than adults new solely to TCA (81%) as well as adults who were new to TCA and SNAP (75%).

One reason for more male adult recipients among newer TCA recipients is that there were more families with married parents. Recipients new to TCA and SNAP had the highest proportion who were married at the time they received benefits (30%), and it was also more common among those new to TCA (19%) than previous recipients (9%).[2] Nonetheless, more than half of adult recipients were unmarried across all cohorts, a finding that is consistent with TCA recipients prior to the pandemic.

Previous adult recipients had the least education, as roughly one in four (23%) did not finish grade 12 compared to 17% of those new to TCA and 15% of those new to TCA and SNAP. Previous adult recipients were just as likely as adult recipients new to TCA to have only finished grade 12 (66% and 65%), but those new to TCA and SNAP were less likely, at 54%. This is because one in three (32%) adult recipients new to TCA and SNAP had education beyond high school. About one in five (18%) adult recipients new to TCA, and only one in 10 (11%) previous adult recipients, had post-secondary education. Education is not necessarily a panacea for low earnings (Escobari et al., 2021), but those with additional education are more likely to remain independent from TCA due to higher earnings (McColl & Passarella, 2019).

Table 3. Adult Recipient Characteristics***

	Previous Recipients n=3,939	New to TCA n=5,174	New to TCA and SNAP n=1,114
Age			
20 or Younger	1%	6%	10%
21 to 24	8%	17%	12%
25 to 29	26%	25%	17%
30 to 34	26%	21%	18%
35 or Older	39%	32%	42%
Average	34	32	34
Median	33	31	33
Race and Ethnicity			
Black^	75%	55%	51%
White^	20%	30%	25%
Latinx	4%	10%	15%
Other^	2%	5%	10%
Gender			
Female	92%	81%	75%
Male	8%	19%	25%
Education Level			
Did not Finish Grade 12	23%	17%	15%
Finished Grade 12	66%	65%	54%
Additional Education	11%	18%	32%
Marital Status			
Married	9%	19%	30%
Never Married	79%	68%	55%
Previously Married	12%	13%	15%

Note: ^=non-Latinx. Percentages may not total to 100% due to rounding. *p<.05, **p<.01, ***p<.001.

[2] The percent of cases with two adult recipients does not match the percent who were married because only one adult may have been eligible for benefits and counted as a recipient.

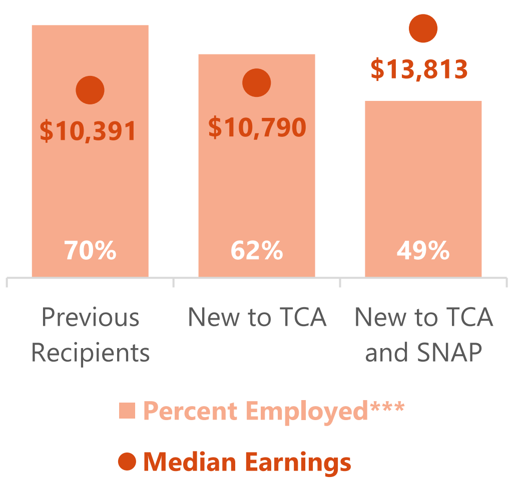
Employment

Given that the pandemic led to the highest unemployment rate recorded in the U.S. (14.7% in April 2020; BLS, 2020), along with an unemployment peak of 9% in April and May of 2020 in Maryland (Maryland Department of Labor, n.d.), it can be assumed that TCA recipients during the pandemic would struggle to find work. Greater employment losses among low-wage workers affirms this (Gould & Kandra, 2021). However, examining the employment of adult recipients prior to the pandemic establishes a baseline level of earnings, and it could indicate future earnings potential in recovery from the pandemic.

Figure 5 displays the percentage of adult recipients in each cohort who were employed in the year before they began receiving TCA, and the median annual earnings among employed adult recipients in that time frame. Employment was highest among previous adult recipients, as seven in 10 (70%) worked in the prior year; about three in five (62%) adults new solely to TCA worked in that time frame. Those working in these two cohorts had median annual earnings near $10,500.

Adult recipients new to TCA and SNAP had a much lower employment rate, at half (49%), but for those who were employed, their median annual earnings of nearly $14,000 exceeded that of the other two cohorts.[3] This hints at a divide in employment outcomes within this cohort: there are some with relatively high earnings, but others who were not employed in the year before the pandemic. Despite higher annual earnings, those earnings were still less than the household survival budget—an estimate of the minimal total cost of household essentials based on local data—for a single adult in Maryland outlined by United Way (roughly $34,000 annually in 2018; 2021). Judging solely by their earnings from employment, few families would likely be able to afford the bare minimum of living essentials in their area.[4]

Figure 5. Adult Recipient Employment and Earnings
Year Prior to Receipt



Note: *Median Earnings* includes recipients who were employed at some point in the year prior to receipt (n=6,458). *p<.05, **p<.01, ***p<.001.

[3] The same pattern existed when examining employment and earnings in the quarter before TCA receipt, as shown in the callout.

[4] Employment data has several limitations. For instance, the data do not include out-of-state employment although it is high in Maryland. Please see the *Data and Study Population* section for more information.

Table 4 provides more answers regarding the employment and earnings differences between cohorts. The table displays the most common industries of employment in which employed adult recipients last worked in the year before TCA receipt, showing the percentage of each cohort that worked in that industry as well as the median quarterly earnings among the adult recipients employed in the industry. Table 4 shows that two thirds of adult recipients are represented in the specified industries, while one in three worked in other industries employing small percentages of adults. While there were some exceptions, most industries offered low wages for a family.

Close to half (**48%** and **43%**) of **previous recipients** and **recipients new to TCA** were **employed** in the **quarter before receipt**, with both groups earning a median of roughly **$3,500**.

Nearly two in five (**37%**) recipients **new to TCA and SNAP** were **employed**, but they earned **$4,700**.

For previous recipients and those new to TCA, the most common industries were restaurants (16% and 19%) and the administrative & support industry (17% and 13%). One in five (21%) recipients new to TCA and SNAP were also employed in restaurants. Although a common industry among TCA recipients regardless of cohort, restaurants offered low wages of roughly $2,000 in the quarter, as did the administrative & support industry. And even though recipients new to TCA and SNAP earned more than the other two groups in the prior year, as shown in Figure 5, earnings among this group in restaurants and administrative & support were fairly consistent with the other two groups.

Outpatient health care was the second-most common industry for employed adults new to TCA and SNAP (9%), with similar percentages among the other two cohorts. Generally, employment in the health care field is stable, but the COVID-19 pandemic made this field vulnerable to employment losses especially among low-wage workers (Bhandari et al., 2021). Earnings for adult recipients who were employed in this industry were on the higher end. Those new to TCA had the highest quarterly earnings of the cohorts at a median of $5,603. Previous recipients earned about $1,500 less ($4,133), with the earnings of recipients new to TCA and SNAP not far behind ($4,043). These earnings were still low, however, considering the quarterly household survival budget for one Maryland adult ($8,500 in 2018; United Way, 2021). Nonetheless, transitions back into this industry may be beneficial as prior research found that former TCA recipients who are employed in certain promising industries—including some in healthcare—are likelier to remain employed longer and have higher earnings, facilitating independence from TCA (Nicoli et al., 2014).

There were few recipients working in the remaining industries displayed in Table 4; most had less than 5% of employed recipients. A promising industry like nursing homes offered comparatively high wages to adult recipients regardless of cohort, from the low $3,000s to nearly $4,000. Education services, another promising industry, had earnings that varied substantially by cohort, from nearly $2,700 among previous recipients to roughly $6,000 among those new to TCA and SNAP. In fact, earnings in most of these remaining industries were highest among adult recipients new to TCA and SNAP and lowest among previous recipients.

This pattern holds when examining earnings among adult recipients employed in the other industries category. Previous recipients and those new to TCA had similar earnings among these other industries, of roughly $3,200, while those new to TCA and SNAP earned almost double—close to $6,000. Recipients new to TCA and SNAP who were employed in these other industries likely caused overall earnings in the prior year (Figure 5) to be higher compared to the other two cohorts.

Table 4 reveals that one in every three (35%) working adult recipients new to TCA and SNAP worked in industries with particularly low earnings (restaurants (21%), administrative & support (7%), general retail (4%), and food and beverage retail (3%). Employment in these industries was, however, slightly more common among previous recipients (41%) and recipients new to TCA (40%). In the face of low wages in industries like these, TCA can help families afford essential items and services. This is especially true when unexpected events such as the pandemic cause sudden job instability or losses.

Table 4. Most Common Industries of Employment* & Median Quarterly Earnings**

Industry in which adult recipients were last employed in the year before receiving TCA

	Previous Recipients n=2,726		New to TCA n=3,151		New to TCA and SNAP n=526	
	% Employed	*Median Earnings*	*% Employed*	*Median Earnings*	*% Employed*	*Median Earnings*
Restaurants	16%	$2,015	19%	$2,051	21%	$1,938
Administrative & Support	17%	$1,628	13%	$2,314	7%	$1,760
Outpatient Health Care	8%	$4,133	8%	$5,603	9%	$4,043
Nursing Homes	7%	$3,218	4%	$3,601	4%	$3,873
General Retail	5%	$1,159	4%	$1,573	4%	$1,576
Social Assistance	4%	$2,649	4%	$3,105	4%	$3,524
Warehousing and Storage	4%	$1,395	3%	$1,740	1%	$2,895
Educational Services	3%	$2,668	3%	$3,375	4%	$5,967
Food and Beverage Retail	3%	$1,726	4%	$1,598	3%	$1,489
Accommodation	3%	$2,455	2%	$3,850	2%	$9,085
Professional, Scientific, & Technical Services	2%	$3,722	3%	$3,950	4%	$6,213
Other industries	29%	$3,178	34%	$3,264	37%	$5,964

Note: Count represents individuals employed before receiving TCA. Analysis excludes individuals who do not have a unique identifier or who were employed but the NAICS code was not identified. Valid percentages are reported. Percentages may not total to 100% due to rounding. *p<.05, **p<.01, ***p<.001.

Conclusions

When Maryland families experience times of crisis, public assistance programs like TCA can help them meet their basic needs. This was particularly true in the early months of the COVID-19 pandemic, when many places of work and childcare providers closed or reduced hours in an effort to curb the spread of the virus. Maryland experienced an influx of TCA families during the early months of the pandemic, and those families had characteristics that differed from past families receiving TCA (Passarella & Smith, 2021). For many of these families, this was their first experience of TCA receipt. This study examined early pandemic families who were previous recipients, new solely to TCA, and new to both TCA and SNAP.

Two in every five (39%) families receiving TCA from April to June of 2020 had previous experience with the TCA program. These previous recipients shared similar demographics with adult TCA recipients before the pandemic. The annual earnings of previous recipient adults were quite low even though previous recipients were likeliest to be employed. When disaggregated by industry, previous recipients often had the lowest earnings among the cohorts. On the other hand, many (73%) previous recipients were able to remain off TCA for more than two years before returning to the program during the early months of the pandemic. It is probable that if not for COVID-19, many of these families would not have returned to TCA.

Families new to TCA—including the new to TCA cohort (50%) and the new to TCA and SNAP cohort (11%)—are similar in several ways. Their lack of receipt prior to the pandemic indicates they found a way to make ends meet without TCA, but those families could have been eligible for TCA due to low earnings. Regarding case characteristics, newer families had fewer people. Likewise, they were less likely to have school-aged children and more likely to have children under age six. The demographics of newer adult recipients contrasted with those of previous recipients: they were less often Black, female, and never-married, but they were more educated than previous recipients.

Families new to TCA and SNAP had the greatest advantage in a couple of important areas. They were the most educated—with one in three (32%) having education beyond high school—and having a postsecondary education is the biggest determinant of differences in workers' lifetime earnings (U.S. Department of Labor et al., 2014). When examining employment in the year before TCA receipt, then, it is not surprising that adult recipients new to TCA and SNAP had the highest earnings of all three cohorts, and the highest earnings in most industries.

Alternatively, examining past receipt of SNAP illustrates just how fragile the economic stability of many TCA families was before the pandemic. The majority of families who had prior experience with the SNAP program—previous recipients and those new to TCA—received benefits in the month before joining TCA. SNAP benefits combined with earnings from employment likely prevented these families from receiving TCA, but their economic vulnerability is made plain by their receipt of cash assistance as the pandemic struck the economy.

These vulnerable families rapidly joined TCA during a moment of crisis. What remains to be seen is when this diverse group of families will leave TCA. In response to the pandemic, Maryland temporarily waived work requirements and extended recertification periods (DHS, 2020; Pegg, 2020). These flexibilities likely allowed families to stay on TCA for longer periods of time, so it would be useful to know how waiver expirations will impact the caseload's size. It is fair to expect newer families with high earnings to leave the program as industries return to their pre-pandemic capacity, as long as their former jobs are intact. For those who were struggling before the pandemic, facilitating opportunities for recipients to achieve higher earnings through education and training in promising industries like healthcare, educational services, or government could alleviate economic troubles in a time of great uncertainty. More than that, such efforts could ensure greater stability for families in the recovery phase of the pandemic and in the long term.

References

Bhandari, N., Batra, K., Upadhyay, S., & Cochran, C. (2021). Impact of COVID-19 on healthcare labor market in the United State: Lower paid workers experienced higher vulnerability and slower recovery. *International Journal Environmental Research and Public Health*, *18*(8), 3894.

Capps, R., Fix, M., & Zong, J. (2016). *A profile of U.S. children with unauthorized parents*. Migration Policy Institute. https://www.migrationpolicy.org

Center on Education and the Workforce. (2020). *Number of job losses by education level and industry*. Georgetown University. https://cew.georgetown.edu/cew-reports/jobtracker/#jobs-tracking

Escobari, M., Seyal, I., & Contreras, C.D. (2021). *Moving up: Promoting workers' economic mobility using network analysis*. Brookings Institution. https://www.brookings.edu/wp-content/uploads/2021/06/Moving-Up.pdf

Goldstein, A. (2021, August 1). Welfare rolls decline during the pandemic despite economic upheaval. *The Washington Post*. https://www.washingtonpost.com/health/2021/08/01/welfare-roles-during-the-pandemic/

Gould, E., & Kandra, J. (2021). *Wages grew in 2020 because the bottom fell out of the low-wage labor market: The state of working America 2020 wages report*. Economic Policy Institute. https://www.epi.org/publication/state-of-working-america-wages-in-2020/

Hall, L.A., & Passarella, L.L. (2020). *Life after welfare: 2020 annual update*. University of Maryland School of Social Work. https://www.ssw.umaryland.edu/Life-after-Welfare,-2020-Update.pdf

Leftin, J., Wemmerus, N., Mabli, J., Godfrey, T., & Tordella, S. (2014). *Dynamics of Supplemental Nutrition Assistance Program participation from 2008 to 2012*. U.S. Department of Agriculture, Food and Nutrition Service, Office of Research and Analysis. https://www.fns.usda.gov/snap

Maryland Department of Human Services (DHS). (2020). *FIA Action Transmittal 21-12 (Revised): Flexibilities for COVID-19. – H.R. 8337*. https://dhs.maryland.gov/documents/FIA/

Maryland Department of Labor (n.d.). *Local area unemployment statistics (LAUS) – Workforce information & performance*. https://www.dllr.state.md.us/lmi/laus/

McColl, R., & Passarella, L.L. (2020). *Life after welfare: 2019 annual update*. University of Maryland School of Social Work. https://www.ssw.umaryland.edu/life2019.pdf

Nicoli, L.T., Passarella, L.L., & Born, C.E. (2014). *Industries among employed welfare leavers*. University of Maryland School of Social Work. https://familywelfare.umaryland.edu/industriesbrief.pdf

Passarella, L.L., & Smith, H. (2021). *Life on welfare, 2020: Temporary Cash Assistance before & during the COVID-19 pandemic*. University of Maryland School of Social Work. https://www.ssw.umaryland.edu/Life-on-Welfare,-2020.pdf

Pegg, G. (2020, March 27). Department of Human Services ensures access to food and cash benefits does not stop for vulnerable Marylanders during COVID-19 pandemic. *DHS News*. https://news.dhr.maryland.gov/reports

United Way. (2021). *Maryland: Household budgets 2018*. United Way of Northern New Jersey. https://www.unitedforalice.org/household-budgets/maryland

U.S. Bureau of Labor Statistics. (2020). *Unemployment rate rises to record high 14.7 percent in April 2020*. U.S. Department of Labor. https://www.bls.gov/opub/

U.S. Census Bureau (n.d.). *Commuting characteristics by sex, 2015-2019 American Community Survey 5-year estimates*. (Table S0801). [Data set]. U.S. Department of Commerce. Retrieved July 19, 2021. https://data.census.gov/

U.S. Department of Labor, U.S. Department of Commerce, U.S. Department of Education, U.S. Department of Health and Human Services. (2014). *What works in job training: A synthesis of the evidence*. https://www.dol.gov/

Weeldreyer, L., Rohde, S., Egerton, L., Lent, D., Macsherry, C., Morrow, B., Speck, F., Cope, H., & Sonnier-Netto, L. (2020). *Caring during COVID: The impact of the pandemic on Maryland childcare providers*. Maryland Family Network. https://www.marylandfamilynetwork.org/

Acknowledgements

This brief was prepared by the Family Welfare Research Department at the University of Maryland School of Social work with support from its long-time research partner, the Maryland Department of Human Services. The authors would like to thank Somlak Suvanasorn for their assistance in the collection and processing of data for this research brief as well as Lauren A. Hall for her assistance in editing this report.

For additional information about this research brief, please contact Letitia Logan Passarella (410-706-2479; llogan@ssw.umaryland.edu) at the School of Social Work.

Please visit our https://www.ssw.umaryland.edu/familywelfare/ for additional copies of this brief and other reports.

UNIVERSITY of MARYLAND
SCHOOL OF SOCIAL WORK

525 W. Redwood Street
Baltimore, MD 21201
410-706-2479
www.ssw.umaryland.edu/familywelfare/