# CONFERENCE I RESOURCE PAPER

# Access to Jobs: Intersection of Transportation, Social, and Economic Development Policies

# Challenge for Transportation Planning in the 21st Century

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You had better have a car. In our society to be without a personal automobile is to be without basic services, without entertainment, without employment, and without a prayer.

-Scott Bogren (1)

The passage of the national welfare reform legislation—the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA)—focused attention on a long-standing problem: the impaired access to jobs for low-income, inner-city, and rural residents. The time limits on welfare receipt and the work requirements for all nonexempt recipients during the transition period, which are central to this legislation, have created an urgent need to find connections for this population to jobs. They cannot wait for economic revitalization programs to create jobs where they live nor can they relocate to housing that is nearer to the existing job markets in the foreseeable future. They need access to jobs now.

# STATUS OF JOB ACCESS FOR LOW-INCOME POPULATIONS

# Background

Transportation is a major barrier for many low-income workers during initiation of the job-search process. A Detroit study found that "those [unemployed workers] with cars searched for work over a wider area and range of neighborhoods, and this increased breadth was reflected in the number, type, and character of job opportunities discovered." (2, p. 24) But significant numbers of low-income individuals do not have access to

cars and are transit dependent. (See Tables 1 and 2 for low-income household vehicle availability by household type and geographic area type.)

In the larger cities, where most of the welfare and other low-income households live, transit service usually exists, but connections from the inner cities to the suburbs, where demand for low-skill, entry-level workers is strongest, are problematic. If transit runs to a desired destination, it may not operate at the needed times, and service intervals may be extremely long. The transportation situation is even worse for rural low-income workers without cars. The Commuter Transportation Association of America estimates that nearly 40 percent of all rural counties have virtually no public transportation (1). The 1995 Nationwide Personal Transportation Survey (NPTS) paints a grimmer picture: it finds that only 14.3 percent of all rural areas have any bus service available at all (3, p. 28).

Solutions to the mobility problems of low-income individuals and improved access to jobs are critically important measures to the individual, to businesses, and to the national economy. Lengthy and convoluted commutes limit an individual's opportunities spatially. Long commuting times have heavy opportunity costs. The reduced time available for interaction with family and community may carry a heavy price tag for society. Labor force access and mobility are key to business operations, Suboptimal labor mobility and access have clearly adverse effects on regional and national economic development.

TABLE 1 Vehicle Availability of Low-Income Households (5)

Household Categories	Total HHs	Low Inc.	Non-Low	Low-Inc. Single Parent
Avg. Household Size	2.58	2.73	2.57	3.28
Avg. Number of Vehicles	1.78	1.16	1.89	0.72
Avg. Vehicle Age (Yrs.)	8.3	10.9	8.1	10.8
% of Hhlds w/o Vehicles	8%	26%	4%	36%
1 Adult Hhld	0.98	0.66	1.09	0.72
2+ Adult Hhld	2.11	1.59	2.18	

TABLE 2 Vehicles per Adult Type (3)1

	Area Type							
Vehicles per Adult	Second City <sup>2</sup>	Rural	Suburban	Town	Urban	Total		
Less than one	27.1	18.4	20.1	18.3	47.0	25,1		
One vehicle	61.6	56.1	65.6	62.4	46.1	59.1		
More than one	11.3	25.4	14.3	19.4	6,9	15.8		
Total	100.0	100.0	100.0	100.0	100.0	100.0		

<sup>&</sup>lt;sup>1</sup> Percentage of vehicular distribution by area type.

Labor access and mobility problems are often cited by businesses as reasons for location and relocation decisions. Businesses that cannot move because they provide services to local markets, such as nursing homes or restaurants, may find labor unreliability such a large problem that they are forced out of business.

#### Mobility and Access

Mobility is a key requirement of access to jobs. Limited mobility means limited access, and it serves to restrict an individual's employment and other opportunities spatially. The lesser degree of mobility of low-income households is reflected in the fact that they make 20 percent fewer trips and travel 40 percent fewer miles than nonpoor households. Mobility barriers are especially severe for the single, low-income working mother. The 1995 NPTS trip data are consistent with what common sense tells us is likely to be the case. Sixty-eight percent of all trips that are taken by a single head of a low-income household (mostly women) are for 3 mi (4.8 km) or less and only 9 percent are in the 6- to 10-mi (9.7- to 16.1-km) range (5).

A personal motor vehicle provides the ultimate mobility under most circumstances. But, for the low-income family, car ownership is a huge financial burden.<sup>2</sup> In the urban areas where many such families live,

car insurance costs alone can amount to more than \$200 a month for one car,3 Although insurance costs may be lower for the rural poor, the greater distances they often must drive to work, as well as to other destinations, raise operating costs. In addition to insurance, the older cars4 that are owned by most low-income households typically incur frequent and large repair and maintenance bills. However, NPTS shows that low-income individuals still make most of their trips by private vehicles,5 often borrowing a car from friends or relatives. Many low-income, nonwelfare families find that a household vehicle is such a necessity that they incur the burden anyway, at the expense of other things. For most welfare-recipient households, this is not an option,6 leaving them highly dependent on transit.

Transit agencies have been preoccupied by their own fiscal and operational concerns. The dramatic cuts over the past 2 decades in the level of federal subsidies to transit agencies have not been offset by commensurate increases in state and local government subsidies, making transit authorities extremely reluctant, if not unable, to take on additional high-loss services. In many metropolitan regions, routes and runs, even in urban areas that are more cost-effective to serve, have been cut back or dropped entirely. In efforts to improve the recovery ratios of their fare boxes, many transit agencies have raised their

<sup>&</sup>lt;sup>2</sup> Second city is defined as an area with a population center density <79 persons >40 persons per sq. mi. that is not a town or rural area.

fares, essentially to the point of inelastic demand. Between cuts in services and fare increases, much of the potential "choice" passenger market in the cities has been lost, and most of those who are left are the "captive" urban poor.

Political forces, driven in no small part by businesses feeling the pinch of low-wage, entry-level labor shortages, have pressed transit agencies to expand transit service in the suburbs, often at the perceived expense of urban services. However, low densities and circuitous road networks in suburban areas make traditional transit service practically impossible from a cost-efficiency standpoint, and state and local governments generally have been reluctant to commit increased funding to support the expansion of urban services.

Most transit agencies will not be able to increase service to low-density suburban areas without substantial subsidies from some source. Some businesses have entered into agreements with transit agencies and have underwritten customized transit service, but overall, there has been a perplexing failure on the part of most businesses to help support the transportation costs of their low-wage employees. Even the degree of employer participation in subsidized transit pass programs—which can be treated as tax-deductible business expenses—has been very disappointing, especially considering that virtually all suburban businesses provide free parking to employees who earn enough to own cars with which to drive to work.

Transit dependency can be an employment barrier to welfare recipients and to other low-income individuals in many ways—spatially, temporally, financially, and in inconvenience. Examples of these barriers include the following:

- Even when routes that connect inner-city neighborhoods with suburban job centers exist, they usually suffer from a "missing link"—the pedestrian portion of the trip between the transit stop and the workplace, which often is one-half mi (0.80 km) or more away and without sidewalk access. Particularly at night, this walk raises safety issues for women. It is also a serious problem in bad weather.
- Employment in jobs with changing work locations, such as construction, in-home health care, or sales, is difficult, if not impossible, if one must rely on public transportation. A growing number of entry-level work opportunities are temporary or part-time positions. Temporary agency employees must be able to go from job-to-job, often within a wide geographic area. For the transit-dependent worker, this means learning new travel routes and even new fare structures frequently. Transportation is such a problem that some temporary employment agencies will not accept a worker who does not have reliable access to a private vehicle.
- Many job openings are for night and weekend shifts, but often no transit service exists at the times

needed, effectively foreclosing them as employment possibilities.

- Reduced off-peak service poses problems for the multiple jobholder. Many low-skilled, entry-level workers discover that quality, full-time jobs are much harder to find than low-paying, part-time ones. To achieve something that approximates full-time employment, an individual may have to take more than one part-time job. This means an additional commuting trip and finding transportation to serve it, but service infrequency in off-peak periods may create insurmountable timing problems.
- The single working mother must meet child care transportation needs as well as her own commuting requirements. If she is using transit for both, this usually entails a detour from her commute to drop off or pick up children. Unless she has an unlimited ride pass, she may have to pay either additional fares or transfer costs, in addition to the time costs of the detour. If she is late in picking up her child, she faces serious child care coverage problems, not to mention overtime surcharges. The typically complex, more than one-seat ride commute results in long travel times, with high opportunity costs in lost family time.

Between transit and the privately owned vehicle, there are several means of transportation that offer varying degrees of mobility and access to jobs. Among the more common intermediate modes are shared-ride taxis, dial-a-ride services (paratransit), employer-provided vanpools and shuttle services, and employee carpools. With the exception of employer-operated vanpools and shuttles, there is little subsidization of these alternatives by employers. Other means of transportation that are used by low-income "reverse commuters" are "gypsy" vans and taxis. These services operate illegally but provide transportation for many. 11

Car-sharing is a relatively new concept in this country, although it has been in existence in Europe for decades. On the West Coast, several car-sharing organizations have recently been formed, primarily for environmental reasons. The basic operational concepts could easily be adapted to meet the mobility needs of low-income individuals without vehicles at a cost within reach for many. [More information on car-sharing and station cars, which are a variant of this concept, can be found at a number of websites (11).] This latter alternative offers increased mobility for all travel purposes because the cars would also be available for noncommuting purposes. (See Table 3 for comparison of modes.)

#### **Equity Issues**

Table 4 shows federal transportation outlays between 1980 and 1994 by mode and in constant dollars. In real

TABLE 3 Comparison of Commuting Modal Alternatives

Mode	Convenience	Availability	Reliability	Service Type
Privately owned vehicle	High	High	Moderate to high depending on vehicle age, condition	On demand, door-to- door
Car-share vehicle	High	High, if prearranged	High	On demand, door-to- door
Shared-ride taxi	Moderate, depending on number of pick-ups, drop-offs	High, if prearranged	High, if prearranged	On demand, pre- arranged, hail request
Carpool <sup>2,3</sup>	Moderate, depending on number of pick-ups, drop-offs	Variable—difficult to form and maintain	Moderate to low, depending on members	Group-determined scheduling, door-to-door
Vanpool <sup>2,5</sup>	Moderate, depending on number of pick-ups, drop-offs	Variable—needs critical mass of close together riders, organized sup- port	Moderate to low, depending on members	Group/employer-deter- mined scheduling, usu- ally door-to-door
Public transit				
• Express bus²	Moderate to low, depending on access to/from stops, service frequency	Usually limited number of runs, peak period only, and large metro- politan areas only	High	Fixed schedule, route- limited service
Regular bus	Moderate to low, depending on access to/from stops, service frequency	Low frequency, limited availability outside urban areas; limited night & weekend ser- vice	Moderate to high, depending on traffic conditions	Fixed schedule, routes
Light rail (partial grade separation)	Moderate to low, depending on access to/from stops, service frequency	Moderate to high, depending on schedule, access to/from stops, limited night & week- end service	High to moderate, depending on traffic conditions	Fixed schedule, route
Heavy rail (grade separation)	Moderate to low, depending on access to/from stops, service frequency	Off-peak frequency low; limited area cover; likely to need connec- tions	High	Fixed schedule, route
Paratransit <sup>7</sup>	Moderate to high, depending on number of stops, dwell time for route, advance schedule	Restricted access (for legal providers)	High for legitimate providers, low to moderate for illegals	Prearranged schedule, occasionally by phone request
Connector/circulator shuttles	High, usually timed to connect to work, transit schedules	Limited service areas/hours; private providers may limit cli- gibility	High to moderate, depending on traffic conditions, connections	Generally fixed route, schedules

NOTE: 1 mi = 1.6 km.

<sup>&</sup>lt;sup>1</sup> Average 1996 cost, AAA: "Your Driving Costs, 1996."

<sup>&</sup>lt;sup>2</sup> If much of route is on HOV lanes, time savings for longer trips can be significant.

<sup>&</sup>lt;sup>3</sup> Carpools are difficult to form and maintain because of differing travel needs of members; some accommodate this well and are very reliable, but others falter and eventually fail.

<sup>&</sup>lt;sup>4</sup> CARAVAN for Commuters, Inc. estimates the following costs per mile for π 2-person carpool: \$0.29/mi for 30-mi roundtrip; \$0.19/mi for 50-mi roundtrip; \$0.15/mi for 100-mi roundtrip.

TABLE 3 (continued)

Mode	Service Configuration	Maximum Passenger Load	Commuter Cost	Other Characteristics
Privately owned vehicle	Typically one-to-one	4–5/sedan; 6–7/minivan	High, averaging \$0.53/mi. <sup>1</sup>	High overhead for short period of use
Car-share vehicle	Typically one-to-one	4–5/sedan; 6–7/minivan	Moderate, ~\$0.30-\$0.35/mi,	Greater usage than pri- vate car, almost as available
Shared-ride taxi	Few-to-one & few-to- few, door-to-door	4	Moderate for short trips, high for long ones	Not allowed in many municipalities, but often exists informally
Carpool <sup>2,3</sup>	Few-to-one	4–5/sedan; 6–7/minivan	Moderate-to-low, depending on number sharing cost <sup>4</sup>	Need "guaranteed ride home" to cover emer- gency, overtime, etc.
Vanpool <sup>2,5</sup>	Many-to-one	9-15 depending on van size	Low cost, amount depends on number sharing cost <sup>6</sup>	Need "guaranteed ride home" to cover emer- gency, overtime, etc.
Public transit				
• Express bus <sup>2</sup>	Few-to-few, some few- to-one	50–75, depending on bus type	Low to moderate, depending on whether subsidized, per-mile cost low	Need "guaranteed ride home" to cover emer- gency, overtime, etc.
Regular bus	Many-to-many	50; more if bus is articulated	Moderate, lower if monthly/frequent user discount available	Cash flow deters pur- chase of discount fare instrument
Light rail (partial grade separation)	Many-to-many	~450, if 3-car train w/150 passengers/car	Moderate, lower if monthly/frequent user discount available	Cash flow deters pur- chase of discount fare instrument
Heavy rail (grade separation)	Rapid rail: many-to- many; regional rail: few-to-few	~900, if 6-car train w/150 passengers/car	Often higher fare than for bus or light rail	Cash flow deters pur- chase of discount fare instrument
Paratransit <sup>7</sup>	Few-to-few, some one- to-one	6–10	High without subsidy— \$10–\$20/roundtrip	Often empty seats unavailable due to restrictions or cost
Connector/circulator shuttles	Connectors: many-to- one; circulators: many- to-many	6–30, depending on vehicle type	Low, often subsidized or transfer fare— \$0.50-\$2.00/ride	Typically fills "missing link" in O-D not served by transit

<sup>5</sup> Vanpools need a critical mass of riders in close proximity to each other and organizational support.

<sup>6</sup> CARAVAN for Commuters, Inc. estimates the following costs per mile for a 14-person vanpool: \$0,13/mi for 30-mi roundtrip; \$0.09/mi for 50-mi roundtrip; \$0.05/mi for 100-mi roundtrip.

<sup>&</sup>lt;sup>7</sup> Defined here as vans/ small buses typically used to transport elderly and handicapped and unlicensed "gypsy" vans/taxis. Robert Cervero uses the term with broader definition to include everything between privately owned vehicle and traditional public transit. (See Robert Cervero, Paratransit in America: Redefining Mass Transportation. Westport, Conn., Praeger, 1997.) This definition would include shared-ride taxis, vanpools, carpools, and shuttles that are broken out separately in this table.

TABLE 4 Federal Transportation Outlays by Mode (Millions of Constant 1987 Dollars)1

Year	Air	Highway	Transit	Rail	Water	Pipel	ine Unallocated	TOTAL
1980	5,125	15,948	4,505	2,957	3,865	4	241	27,520
1985	5,106	15,512	3,537	1,091	3,163	4	188	23,495
1990	6,581	13,921	3,452	481	2,765	8	171	20,798
1991	7,183	13,755	3,398	676	2,910	8	234	20,981
1992	7,748	13,954	3,057	749	3,155	10	240	28,914
1993	8,078	14,535	2,827	655	3,107	11	268	29,480
1994	7,835	15,485	2,911	642	2,983	10	299	22,330
1980	(18.6%)	(58.0%)	(16.4%)	(10.7%)	(14.0%)	(0.0%)	(0.9%)	
1994	(35.1%)	(69.3%)	(13.0%)	(2.9%)	(13.4%)	(0.0%)	(1.3%)	
1980-94	(+52.8%)	(-2.9%)	(-35,4%)	(-78.3%)	(-22.8%)	(150.0%)	(+24.1%)	

NOTE: Total may not equal sum of columns due to rounding. Figures in parentheses represent share of total outlays in given years. Figures in bold parentheses represent % change in constant dollars between 1980 and 1994.

Source: Federal Transportation Outlays by Mode (Table 2-26). National Transportation Statistics 1997, Bureau of Transportation Statistics, U.S. Department of Transportation, Dec. 1996.

terms, transit's share of federal outlays declined by more than 35 percent. Since 1994, transit has suffered even greater erosion of federal support, as operating costs for large urban transit agencies are no longer federally subsidized. Systems in urbanized areas with less than 200,000 people are still eligible to receive operating subsidies.

Not only does funding support for public transit suffer in comparison to support for roadways, there are also discriminatory funding disparities within the category of transit service. The operations of existing public transportation systems appear to favor the middle-to-upper income commuter. Service expansions to meet the needs of "captive" riders appear to receive less priority than costly programs that are intended to try to attract more "choice" riders (1). An example is the highly controversial and enormous investment in commuter rail by the Los Angeles MTA, a transit system in which bus passengers account for more than 90 percent of the agency's total ridership. More than 70 percent of MTA's funding resources have gone into commuter rail, but "L.A.'s 350,000 bus riders deal with peak-hour bus overcrowding, aging equipment and shelter and benchless bus stops." (1)

Transit ridership is largely low income. In areas with a population of 1 million or less, more than half of transit riders are persons with incomes of less than \$15,000 per year. In rural areas, nearly two-thirds of all transit riders have incomes under \$15,000 (1). These populations are heavily transit-dependent, but transit gives them limited service and poor accommodations. Rural and suburban transit stops typically are without shelter or seating. Often, identification of a bus stop may be just

a small placard that is nailed to a telephone pole. In cities, during peak periods, typically passengers are jammed aboard aging, dirty vehicles that transit agencies would not think of offering to "choice" riders. Fare structures are often very complicated, and those individuals without exact change, token, or ticket in hand are not allowed to ride. Ticket sale locations are often few and far between.

Many inequities in transit service can be attributed to disparities in public funding. In 1996, the largest urbanized metropolitan areas received overall about \$35 per capita; rural areas received only \$1.50 per capita. Towns (small urban centers with populations between 50,000 and 200,000) fared only a little better, receiving about \$8 per capita in funding (1). But within urbanized metropolitan areas, services that are targeted to affluent suburbanites receive the highest degree of subsidy. A Los Angeles study found that "inner city service, patronized largely by the poor, received less than 22 cents in total operating subsidy per passenger boarding, while express service, patronized largely by the affluent, received more than \$1.18 per boarding." (1)

Federal tax policies have consistently favored the automobile driver over the transit rider. Although the Transportation Equity Act for the 21st Century (TEA-21, Section 9010) reduces the degree of tax favoritism for drivers of privately owned vehicles, it is still far from a level playing field. Revisions in the federal tax law that were made in concert with TEA-21 now allow employers to provide up to \$65 per month per employee for subsidy of transit or vanpool commuting services (increasing to \$100 per month after December 31, 2001).

<sup>&</sup>lt;sup>1</sup> Five-year intervals for FY80-90 and annually for FY90-94.

The employee who drives alone and who parks at the employer's site generates a \$175 per month per employee tax benefit for the employer, which is treated as excludable income for the employee. TEA-21 does remove one major inequity. Previously, parking benefits were not treated as taxable income to the employee "even when provided in lieu of other compensation payable to an employee under the Taxpayer Relief Act of 1997" (10), whereas transit subsidies were "excludable from gross income only if provided in addition to and not in lieu of, any compensation otherwise payable to an employee [emphasis added]." (12)

#### Commuting Trends

This paper is concerned with the commute of the low-income worker, which is very different from the most typical commute—the suburb-to-suburb journey of the middle-to-upper income worker. Low-wage workers typically either live and work in the inner city or live in rural areas <sup>12</sup> and commute to outer-ring suburban areas or, as is true for a growing number, live in the inner city and commute to work in the suburbs—the so-called "reverse commute." Overall, most commuters live and work in the same county, but intercounty commuting is growing as a share of total commutes (13, p. 73).

The trend toward increased intercounty commuting has important implications for traffic management and transit service. Where "welfare-to-work" traffic is significant, roads between rural communities and suburban worksites may experience congestion and increased numbers of traffic accidents. In areas with large numbers of welfare recipients without vehicles, alternative transportation programs or new transit service may be required to create access to jobs. For the "reverse commute" runs between center cities and suburban employment centers, additional capacity and more frequent transit service may be necessary.

Commuting is now the third most frequent trip purpose, though it only accounts for 1 out of every 6 trips taken and for about 1 out of every 5 mi (8 km) traveled (14, p. 11).13 Commutes are more spread out during the day and over a wider geographic area than before, but there is enough concentration still to place strain on all transportation systems. The importance and timing of the commute also influence the timing and characteristics of other trips. Single female heads of households especially often chain this trip, combining it with household and personal business purposes. Not surprisingly, women with children aged 5 and under are the most likely to trip-chain. More than 60 percent of women make at least one stop on the trip home from work, and nearly 30 percent make 2 or more stops (15, p. 4). NPTS data for 1995 suggest that picking someone up (often a child) takes nearly 12 min longer than dropping someone off, adding significantly to the time spent on the trip home. Fewer intermediate stops are made on the journey to work, except for women in households with children aged 5 and under (15, p.12); the running of errands appears to be more common during the trip home.

Although the degree of gender difference in trips has lessened over the years as women's employment has come to resemble men's more closely, significant differences in commuting patterns remain, with implications for welfare-to-work programs (15, p. 23). Overall (without income distinctions), women make more total trips and longer trips, except for shorter work commutes, perhaps reflecting decisions to limit work opportunities spatially to those closer to home and the fact that women tend to earn less and work fewer hours than men, thus making longer commutes not worthwhile (16, p. 41). Although the commutes are for shorter distances, they involve more chaining, which makes transit a difficult means of transportation. So far, little attention has been devoted to finding ways to help working women meet their travel needs more expeditiously.

Most commutes by privately owned vehicles are solo trips. Vehicle occupancy rates for the commute for lowincome households averaged 1.20 persons (1.16 for all groups) as compared with 2.48 persons (2.07 for all groups) for trips made for social and recreational purposes (5, p. 8).14 Notwithstanding their trip-chaining requirements, many low-income women carpool, though as Rosenbloom notes, overall, women tend to carpool less than men with comparable incomes (17, p. 24) do. Costs that likely outweigh convenience as a modal decision factor in such cases as carpooling is particularly difficult for women who must transport their children as part of the commuting trip chain. The difficulties in juggling family and work responsibilities lead many lowincome women to incur the burden of owning a car, even at the expense of other family needs (18).

The increased speed of the average commute in recent years (all modes together) is a benefit less likely to be shared by low-income, inner-city workers. The 1995 NPTS found an increase in commuting times in the most densely populated areas, perhaps a result of increasing congestion levels and the fact that the average commute by public transit (the commuting mode for large numbers of low-income urban workers) took twice as long as the average commute by car (15, pp. 44, 51).

The older cars that low-income people have at their disposal for commuting can create problems. Higher incidences of needed repairs but lack of money to pay for them may lead to more breakdowns on the road, causing inconvenience to others and job-retention risks for those who are dependent on the car for commuting trans-

portation. A single vehicular breakdown on a heavily traveled road can cause costly delays for thousands of other motorists. Many studies show that such incidents are major factors in regional traffic congestion.

#### THEORY AND HISTORY

# Spatial Mismatch of Labor and Jobs-Housing Imbalance

The rationale for the "mobility strategy" represented by access to jobs programs is that a spatial mismatch exists between the location of low-wage workers (their residences) and the market for their services. Underlying such a spatial mismatch of labor is a jobs-housing imbalance. Basic assumptions include a (a) serious shortage of affordable housing in proximity to employment centers, (b) serious shortage of jobs in proximity to the housing of low-income workers, (c) distance between work and residence that acts as a barrier to employment, and (d) lack of reasonable transportation options between the two. These are conditions that are typical of metropolitan regions with high concentrations of poverty and large welfare caseloads.

John Kain articulated what has come to be known as the "Spatial Mismatch Hypothesis" in 1968. <sup>15</sup> The focus of Kain's research was the effect housing discrimination had on work opportunities for black males. His study, which was limited to locations in Detroit and Chicago and based on demographic and economic development and travel data from a period before the greatest suburbanization occurred, stirred controversy and criticism from those who thought he had drawn unsubstantiated conclusions. Recent reviews of Kain's hypothesis under present labor market and development patterns, however, tend to confirm his basic conclusions (20).

The analogy offered in the statement that 'poor people are excluded from buying into expensive residential neighborhoods not because of exclusionary zoning, but in the same way that they are excluded from buying Lexus or Mercedes automobiles; they cannot afford them' (21, p. 102) might be more apt if some level of government were limiting production of Geo Metros.

-Jonathan Levine (22, p. 135)

A survey of housing conditions in most metropolitan areas suggests that housing policies do matter. It is unarguable that public housing policies at the federal level effectively concentrated extremely poor populations in urban centers, and exclusionary land use and density ordinances at the local level have distorted the market to the detriment of low-income and minority popula-

tions. The result of these policies, in tandem with market forces, has been virtually no addition to the stocks of affordable housing in the high-growth suburbs. In the most rapidly growing metropolitan suburbs, there are low vacancy rates for the limited affordable rental housing, generally high rents and housing prices, and few, if any, public housing facilities.

The "hot" suburban job markets generally have a strong demand for low-skilled, entry-level service workers. Suburban malls, restaurants, hotel and conference centers, nursing homes, and other businesses are experiencing serious labor shortages, but with suburban affordable housing shortages, they cannot expect to hire many current, local residents.

Although discriminatory zoning practices and limited development profitability currently work against it, the increase of suburban affordable housing stocks could help meet suburban service labor needs. It would also benefit the welfare-to-work population for several reasons: (a) a move near high job-growth areas improves accessibility to a wider job choice; (b) a move closer to the job market is desirable from the perspective of a single mother; (c) available suburban housing stocks would give low-income households a measure of choice in location that they presently do not have; and (d) suburban communities offer better access to many opportunities, especially higher quality public education, 16 Negative aspects for low-income households that move into suburban housing include (a) the virtual necessity of a car; (b) lack of nearby support networks of friends and family; (c) likelihood of encountering open discrimination; and (d) perhaps most important, the burden of paying a higher share of household income for housing.17

The time constraints of welfare reform made the mobility strategy <sup>18</sup> the most promising job-access policy, and proponents touted it as a means of revitalizing poor neighborhoods by bringing new money, in the form of wages, back into poor communities. <sup>19</sup> Perhaps the most prominent proponent of the mobility strategy is Mark Hughes whose enterprise *Public/Private Ventures* was selected by HUD to implement it in the "Bridges to Work" demonstration program. The key features of the program have been replicated in varying degrees in many welfare-to-work policies, if not in actual program implementations. These features include

- Metropolitan placement mechanism that connects inner-city residents to job openings throughout the labor market and to suburban jobs in particular. Examples are an alliance of city and suburban service delivery areas that administer the federal Job Training Partnership Act, or a computerized regional placement network.
- Targeted commute mechanism that connects innercity workers to previously inaccessible employment locations. These connections might be implemented

through a new demand-responsive service provided by public transit workers or through community-based or employer-based vanpooling and ride sharing.

 Set of support services that would mitigate demands created or exacerbated by the daily commute to more distant job locations. These services would include extended child-car arrangements, a guaranteed ride home in emergencies, orientation to suburban opportunities, and conflict resolution with coworkers (28).

#### Development of Spatial Mismatch in Labor Markets

There are many causes of labor supply and demand disconnections. Factors often described as "engines of sprawl"-federal housing and highway investment programs; cheap, raw, easily developable land made accessible by new roads; city-suburban tax differentials; development incentives offered by suburban municipalities; and other practices-have been widely blamed for drawing jobs out of the central city and into the countryside, leaving fiscally and physically deteriorating cities to cope with the poor, high-maintenance population left behind. Although this interpretation may have validity at least as a partial explanation for robust growth in the suburbs and the concurrent decline in the central cities of some regions, 20 it does not explain the jobs-housing imbalance and spatial mismatch of labor everywhere.

How "Sprawl" Can Suck the Life Out of Inner Cities: Jobs follow households as employers look to serve relocating populations and workforces. Mobile households flee neighborhoods that have been left without commercial amenities. On top of these forces, practices and legacies of discrimination continue to exert their influence.

—Dan Immergluck and Marti Wiles (29)

The circumstances fostering spatial labor mismatches vary from place to place. Older cities with industrial economic bases, such as Boston and Philadelphia, experienced dramatic losses in jobs and in middle- and upper-income households from the central cities and coincidental gains in the neighboring suburbs. In Boston and Philadelphia, not all of the lost businesses failed or moved to lower-production cost regions. Many businesses that were once located in the central business districts stayed within the regions but moved to spacious office parks in the suburbs. Philadelphia's high wage and business taxes, high labor costs, and incentive-loaded economic development packages offered by suburban municipalities played no small part in many of these relocation decisions.

Between 1970 and 1995, Philadelphia suffered a net loss of 272,000 jobs—25.9 percent of its 1970 employment base. During the same period, the suburban counties of Bucks, Chester, Delaware, and Montgomery experienced significant growth. Employment in both Bucks and Chester Counties more than doubled (see Table 5). However, in other areas, such as in the numerous resort cities and towns that have sprouted up along the Carolina coast and the Panhandle and Gulf Coasts in Florida, development patterns and employment opportunities were driven by entirely different factors. Geography determined the locations of these tourist centers, and growing national affluence fueled their development. It was not at the expense of another region. Although these coastal areas boomed and experienced

TABLE 5 Population and Employment Trends in Pennsylvania Counties of the Philadelphia Region

	Population (Thousands)		Percent Change			Employment (Thousands)		Percent Change		
	1970	1980	1990	'70–'80	'80–'90	1970	1980	1990	'70-'80	'80-'90
County of Residence				lia.						
Bucks	417	479	541	15.0	12.9	117	170	221	45.5	29.7
Chester	278	317	376	14.0	18.9	85	123	176	45.3	43.1
Delaware	603	555	548	(8.0)	(1.3)	162	181	207	11.6	14.5
Montgomery	624	644	678	3.1	5.4	259	325	407	25.4	25.1
Philadelphia	1,950	1,688	1,586	(13.4)	(6.1)	876	760	761	(13.3)	0.1
Total	3,872	3,683	3,729	(4.9)	1.3	1,500	1,560	1,772	4.0	13.6

NOTE: Totals may not add due to rounding

Source: Population and Employment Growth in the Delaware Valley Region. In Journey to Work Trends in the Delaware Valley Region, 1970-1990. Report 5. Delaware Valley Regional Planning Commission, Philadelphia, June 1993.

labor shortages,<sup>22</sup> inland agricultural areas had unemployed or underemployed labor pools that stemmed from the shift from traditional to more capital-intensive and commercial farming. Employment in tourism-related service businesses beckoned, but many of the inland farmworkers could not move closer to the demand for their services because of the higher cost of living, among other reasons. A spatial labor mismatch was inevitable.

It is important to understand the differences in labormismatch characteristics among regions. In older urban centers, the infrastructures (social and physical) and critical mass for redevelopment still exist. These cities usually already have extensive, if imperfect, public transit systems within their urban cores. Though the path to economic revitalization is likely to be long and difficult, the potential exists. However, prospects for creating sufficient local employment in the internal rural areas of north Florida and South Carolina are remote, and as long as the coastal resort communities are booming, the real estate market will not induce creation of new, affordable housing there. The inland rural areas may slumber indefinitely, but the resort areas, blessed by geographic and climatic advantages, have job openings now, so a commuting strategy that uses new transportation services may be the only realistic solution to this type of jobs-housing gap for the foreseeable future.

The general shift in the U.S. economy from manufacturing to service industries has had many effects on labor markets. The spatial effect of this shift has not received the attention that the regional job gains and losses have, but it is perhaps just as important. Manufacturing is traditionally a more spatially concentrated activity. Agglomerative and scale economies were important so many manufacturing plants located within compact urban areas. Large manufacturing workforces provided the density that usually supported transit operations. Service industries are inherently more spatially distributed, and without the population density of a manufacturing plant, it is more difficult for transit to serve their employees. With the exception of a few bigger, service-based entities like hospitals, large hotels, or shopping malls, most service businesses do not have large workforces at a given site.

A basic difference in treatment of transportation costs between manufacturing and service industries should also be noted as its effects have become more pronounced with the increasing dominance of the service sector. In manufacturing firms, the transportation costs of material inputs and outputs are factored into costs of doing business. The inputs in service industries are essentially labor, but the transportation of these inputs rarely are treated as business costs by service firms. The inputs (labor) are expected to pay these costs.<sup>23</sup> Although blue collar factory workers pay their own transportation costs, they do so with significantly higher wages.

Unfortunately for service workers, entry-level service positions pay a fraction of what the average entry-level manufacturing positions pay, making their costs of getting to and from work disproportionately high.

# Welfare Reform: New Focus on Access to Jobs

Welfare reform presents both an opportunity and a challenge to solving long-standing transportation problems of all low-income populations, the working poor as well as welfare recipients. Before welfare reform, little attention was paid to the plight of low-income commuters. They were largely left to figure out how to get to work on their own. For many, the difficulties and costs involved in commuting to distant jobs made welfare more attractive than working. Welfare reform in the 1990s has changed that, Under PRWORA and the various state-implementing laws, able-bodied welfare recipients are expected to get jobs and become self-sufficient within prescribed time limits. With rare exceptions, transportation difficulties are not a cause for exemption from the work requirements of the transition period. Although transportation was generally known to be a major barrier to employment for low-income people, only a few states gave it much stress in their welfarereform-implementation plans, and fewer states have made concerted efforts to measure its impacts on either the ability of welfare recipients to find and keep jobs or the wellbeing of welfare-recipient households.

Early results of welfare reform under PRWORA indicate that, at best, a lot of fine tuning of all types of programs is going to be needed, but generally it is not yet clear what should be done.24 Some states are now conducting follow-up studies on welfare caseloads, 25 but others have yet to establish comprehensive data-collection methods and programs.26 There is a serious lack of the type of connected databases that are necessary for ongoing tracking of welfare clients as they transition into the workforce, much less for follow-up studies. 27 A variety of information that crosscuts public agency functions and private-sector partners, such as employers, job-placement agencies, and training agencies, is needed. (For types of data that would be useful for tracking and evaluation purposes, see Research and Data Needs under the section Planning for Access to Jobs in the 21st Century, p. 158.)

# Transportation Planning Under PRWORA and TANF—What Have We Learned So Far?

Results of PRWORA so far are decidedly mixed. Welfare rolls have been greatly reduced, and large numbers of

welfare recipients have begun the transition from dependency into the workforce, but the news is not all good. According to Susan Golonka, Program Director for Welfare Reform at the National Governors' Association, the most significant findings about welfare reform to date include the following (27):

- 50 to 60 percent of those individuals leaving welfare rolls find jobs, but these jobs typically pay less than \$7 per hour. This amount is not enough to move a welfare family out of poverty, but with the earned income tax credit, it is generally more than what they would have received just from welfare.<sup>28</sup>
- Child care and transportation continue to be major barriers to getting jobs and keeping them.
- Most welfare recipients who enter the workforce continue to receive some kind of assistance—at least food stamps, child care subsidies, or Medicaid, if not cash assistance [Temporary Aid to Needy Families (TANF)].
- There is a troubling rate of recidivism that may be understated because rigorous tracking studies are lacking.<sup>29</sup>
- The easiest-to-place welfare recipients are already working; those left on the rolls have multiple problems and placing them in work will be far more difficult.

The U.S. Conference of Mayors conducted a 34-city survey of welfare reform efforts in fall 1998. The survey found that more than four out of five municipal respondents identified a lack of transportation to existing jobs as a continuing major problem, although three-quarters of the respondents also said they had plans in place to address the problem (32, p. 3).

# Legislative Context

The federal reform legislation epitomizes devolution of responsibility to the states. Aid to Families with Dependent Children (AFDC), the former cash-assistance program, was replaced by the TANF lump-sum block grant to the states. Within a set of minimum requirements that was stipulated in the federal legislation, 30 states were free to design their own transitional programs to turn welfare recipients into wage earners and to provide temporary cash assistance and supportive programs, including transportation services. TANF measures for funding eligible transportation services include

- Use of contracts for shuttles, buses, carpools, and other services;
- Purchase of vans, shuttles, and minibuses for transportation of TANF-eligible individuals;

- Purchase of capacity (including vouchers and transit passes) on public or private transportation systems;
- Whole or partial reimbursement to TANF recipients for work-related transportation expenses, including mileage, gas, public transit fare, auto repairs, and insurance, or a basic cash allowance for transportation;
- Loan assistance to TANF recipients to purchase a vehicle for work-commuting purposes or work-related activities;
- Facilitating donation and repair of previously owned or reconditioned vehicles;
- Funds for one-time, short-term, or other alternatives to ongoing assistance as "diversion" payments to keep people from going on welfare<sup>31</sup> because of transportation problems, such as inability to cover insurance costs or pay for repairs;
- Funds for start-up or operating costs for new or expanded transportation services that benefit TANF recipients, provided that such costs are necessary, are reasonable, and are only the portion of costs that are associated with services for TANF recipients;
- Establishment of individual development accounts for TANF recipients that can be used to cover qualified business capitalization expenses to establish transportation services, such as vans, shuttles, or door-to-door transportation service [Section 404(h) of the Social Security Act]; and
- Transfer of TANF funds to the Social Services Block Grant (SSBG) to address the lack of transportation infrastructure in many rural and inner-city areas (34).<sup>32</sup>

Unfortunately, not many of these options have been used very much. It may be that states are reluctant to use TANF funds for support services beyond job training and child care because of uncertainty about level of needs should a downturn in the economy occur and because constraints on use of funds inherent in PRWORA discourage full use of the block grant in some instances (33, 35, 36).

"Great Leap Forward: End of Welfare as We Knew It" As the states began to implement welfare reform, the nation was fortunate enough have the strongest economy and the greatest new job growth in years—almost 2 million new jobs per year since 1983 (37). Even most of the larger, older cities that had suffered serious economic reversals are now enjoying a measure of prosperity, but a major challenge exists for welfare-to-work programs because of spatial mismatch in the low-skill, entry-level job market. Nationally, the influx of welfare recipients into the labor force will have little impact. Estimates of the total number of people entering the workforce from the welfare rolls range from 1 million (37) to 3 million (38) between 1997 and 2002, respectively.

Analysis of job markets at a regional or local level yields a far less sanguine prospect. The distribution of welfare recipients that need jobs is very uneven. One study found that "only 13 states appear to have the capacity to create enough jobs without some type of public subsidy or workfare program.<sup>33</sup> Half of the 10 states with the worst prospects for absorbing their caseloads are in the Northeast" (39, p. 9). There will be tremendous pressure on transportation providers to help connect welfare recipients in these markets to jobs wherever they can be found, but this may be an impossible task. (A further discussion of commute distance problems is presented later in this paper.)

Differences in State Transportation Assistance Treatment in Welfare Reform Implementing Legislation and Underlying Assumptions There are wide variations in state approaches to transportation planning and assistance for welfare recipients who are entering the workforce. Some approaches are highly coordinated and include many specific provisions for transportation assistance. New Jersey typifies an integrated and comprehensive state approach. From the earliest stages of welfare reform planning in the state, the New Jersey Department of Transportation and New Jersey Transit were at the table as full partners in the planning process, Neighboring Pennsylvania is almost at the other end of the spectrum; its state agency that is responsible for welfare issues (Pennsylvania Department of Public Welfare) is in charge of virtually all aspects of the TANF program. There has been little formal coordination among agencies. Pennsylvania's welfare reform is highly devolved, so the burden of implementation, including any transportation-assistance planning, is concentrated at the county level.

State provisions for specific transportation assistance, such as monetary support for car use, also diverge widely. Table 6 shows the vehicle and asset exemption policies for each state. Some are quite generous and recognize that households with more than one worker may need more than one car so that all adult members can get and retain jobs. Other states make no such concession. Transportation subsidy policies differ from state to state. Some states offer no transportation assistance at all. Others provide subsidies during job search and training activities only, or for a brief time, once a job has been obtained. Presumably, this is an equity consideration—if states provide subsidies to welfare recipients to get to work, they should provide similar assistance to all working poor, This is a politically charged and fiscally loaded issue, and the temptation will be to ignore it, leaving welfare recipients and all other low-income workers to pay a disproportionate share of their incomes for work-related transportation expenses.

Access to Jobs Planning and Programs Under TEA-21 Under TEA-21, an entirely new program was created to encourage a provision for appropriate transportation services for job access for all welfare recipients and for low-income persons. Section (3037) of TEA-21 recognizes the immense transportation needs that are associated with welfare-to-work and the insufficient resources that are currently available to transit agencies and to other transportation providers to meet them. Congress authorized \$750 million for the years 1997 to 2003, of which \$500 million is guaranteed, to fund this program. Up to \$10 million is set aside specifically for "reverse commute" services. The legislation places a high premium on coordination of services and cooperation of providers. In a deviation from standard practices regarding matches to federal program funds, this legislation allows other federal program grants, such as TANF funds, to be used as part of the matching fund requirements as an incentive to recipient agencies to coordinate different programs that serve the same needs. Submitted plans are required to have transit agency approval. The competitive grants under this program are judged on the following criteria:

- Percentage of the population to be served that are welfare recipients;
  - Need for additional services;
- Coordination with and use of existing transportation providers;
- Coordination with state welfare agencies that implement the TANF program; and
- Use of innovative approaches, the presence of a regional plan, long-term financing strategies, and consultation with the community to be served. (40)

The transit agency approval requirement for proposal submission embodies congressional intent to rely on transit as the backbone of any regional strategy to improve transportation options for low-income commuters. Although this reliance makes sense in many ways, it carries a risk that cash-starved transit agencies may be tempted to go after a region's allotted funding with a preemptive proposal for traditional kinds of transit services that should be funded from other sources, and it blocks potential, creative solutions to service gaps that transit cannot address.

# Conflicts and Inconsistencies Among Policies and Program Goals

The federal government adopted an interagency, cooperative approach on welfare reform issues very early. Admirable efforts were made to avoid inconsistencies in departmental policies and regulations and to streamline programs. Informative workshops and conferences, sponsored by the Department of Housing and Urban Development (HUD), USDOT, U.S. Department of Health and Human Services, U.S. Department of Labor (USDOL), the Small Business Administration, and other federal agencies, were held around the country to apprise both public- and private-sector stakeholders in the welfare reform process and to bring the parties together. The transportation programs under Section 3037 of TEA-21 and USDOL's welfare-to-work grants were designed to dovetail and allow for maximum leverage of federal dollars. Notwithstanding these good intentions, some inherent inconsistencies and conflicts among policies and program goals persist that may impair the success of all affected programs. The following subsections provide examples.

HUD's Housing Mobility Policies (Moving to Work) and Suburban Transportation Realities. The demonstrated successes of relocation programs for the public housing population, such as the Gautreaux program in the Chicago area, have spurred plans to decentralize the low-income housing population and assist individuals in moving out of depressed inner-city neighborhoods into mixed-income, suburban communities that are closer to good job markets. Production of new public housing in markets close to areas that are experiencing high job growth is very unlikely, so HUD has relied on the portable Section 8 vouchers to subsidize rental housing so as to open up more suburban housing opportunities for low-income families.

There are several barriers to successful implementation of this relocation strategy. First, affordable housing stocks are severely inadequate. Not only has little new affordable housing been constructed in the suburbs, there have been "mounting losses of low-rent apartments from the private market." (24) Second, the suburban rents are so high that many low-income families are paying over half of their income for housing (see Note 17). Third, access problems in most suburbs make car ownership a necessity and a significant added cost. A final barrier is that there is inadequate subsidy assistance available to even come close to meeting the demand for it. The funding for 50,000 new welfare-to-work housing vouchers recently authorized by Congress is a "drop in the bucket." In some of the most acute shortfall markets, such as Chicago, waiting lists for these subsidies (Section 8 vouchers) average 5 years or more for households already deemed to be eligible.

Moving to the suburbs may be highly desirable in many ways, but without better transportation options, a low-income family may have less mobility and accessibility and be worse off. They can experience social and economic isolation and higher fixed costs of living.

TANF/PRWORA Goal of Self-Sufficiency and Disproportionate Burdens of Work-Associated Moving from full dependence on welfare into the workforce has the immediate effect of dramatically raising the share of transportation costs in a household's budget. (Additional information on cost burdens is presented later in this paper.) When a lowincome family is already paying at least one-third of its income for housing-and this rarely improves when an adult enters the welfare-to-workforce, even with continuing supplemental cash assistance35—there is very little discretionary money to cover these new costs. If a low-income household must assume these work-related costs entirely on its own, it is likely to be at the expense of necessities, such as food. Most low-income household budgets are so tight that the added high costs of transportation to and from work are likely to keep most low-income families in poverty and in need of continuing public assistance to meet basic needs, but cash assistance is now time limited.

#### Reducing or Eliminating Public Transit Subsidies and Increasing Need for Cost-Efficient Suburban Services to Low-Income, Transit-Dependent Populations

At a time when greatly expanded public transit services are desperately needed by low-income commuters, public transit agencies are faced with their lowest ever level of federal subsidy and are under severe pressures to cut costs as sharply as possible. Federal subsidies for operating costs have been sharply curtailed. Labor costs are the major component of operating costs, and because of contractual requirements, the most expedient way to cut operating costs is to reduce or even abolish service (see Note 7).

# Regulatory and Administrative Barriers

Transit authorities have many constraints that limit their flexibility in providing service. Typical restrictions include mandatory fare-box-recovery ratios and level-of-service requirements for contributing political jurisdictions. Fare-box-recovery ratios can be systemwide, or they can be operating-division specific or even route specific. If they are route specific and combined with level-of-service requirements for each funding jurisdiction, they can make it extremely difficult to launch a service for which documented demand at a level adequate to meet fare-box-recovery requirements does not already exist. Required public hearing processes also impede rapid response planning to meet emerging needs. Extensive public input precedes implementation

TABLE 6 State Asset Limits for Welfare Recipients

			Restricted Saving.
State	Asset Limit	Vehicle Exemption	Account
Alabama	\$2,000/3,0001	one vehicle <sup>2</sup>	_
Alaska	1,000	all vehicles for approved purposes3	_
Arizona	2,000	one vehicle	\$9,000
Arkansas	3,000	one vehicle	3E
California	2,000/3,0004	\$4,650	5,000
Colorado	2,000	one vehicle	:#:
Connecticut	3,000	one vehicle	-
Delaware	1,000	\$4,650	5,000
Dist. of Columbia	1,000	\$1,500	_
Florida	2,000	\$8,500	-
Georgia	1,000	\$4,650	5,000
Hawaii	5,000	one vehicle	-
Idaho	2,000	\$4,650	-
Illinois	3,000	one vehicle	_
Indiana	1,500	\$1,000	_
lowa	5,000	\$3,8895	र्म
Kansas	2,000	one vehicle	-
Kentucky	2,000	one vehicle	5,000
Louisiana	2,000	\$10,000	6,000
Maine	2,000	one vehicle	10,000
Maryland	2,000	one vehicle	_
Massachusetts	2,500	\$5,000	-
Michigan	3,000	one vehicle6	-
Minnesota	5,0007	\$7,5008	
Mississippi	1,000	\$1,500	-
Missouri	$5,000^9$	one vehicle; \$1,500 of a second	
Montana	3,000	one vehicle <sup>10</sup>	No limit
Nebraska	4,000/6,00011	one vehicle	

NOTE: Asset rules may differ for families applying for assisance and for families who are already receiving assistance. This table refers only to asset rules for recipient families.

<sup>\*</sup>Limit on restricted savings is unspecified.

<sup>&</sup>lt;sup>1</sup> The asset limit is \$2,000 for assistance units without a member age 60 or over, and \$3,000 for assistance units with a member age 60 or over.

<sup>&</sup>lt;sup>2</sup> The value of one vehicle per licensed drive in assistance unit is exempt.

<sup>&</sup>lt;sup>3</sup> Any vehicle needed for family transportation, as a home, to produce self-employment income, to transport a disabled peson, or to participate in approved work activities is exempt.

<sup>&</sup>lt;sup>4</sup> The asset limit is \$2,000 for most families, and \$3,000 for families in which any member is over the age of 60.

<sup>&</sup>lt;sup>5</sup> The value of one vehicle up to \$3,889 for each adult and working teenage child is exempt.

<sup>6</sup> The value of up to two vehicles if "necessary as a condition of employment" is exempt.

<sup>&</sup>lt;sup>7</sup> The asset limit is effective 1/1/98. Prior to 1/1/98 the asset limit is \$1,000.

<sup>8</sup> The vehicle exemption is effective 1/1/98. Prior to 1/1/98 the vehicle exemption is \$4,650.

<sup>&</sup>lt;sup>9</sup> This is the asset limit for families with self-sufficiency agreements.

<sup>10</sup> All other income-producing vehicles are exempt.

<sup>11</sup> The asset limit is \$4,000 for a single individual, and \$6,000 for two or more households.

TABLE 6 (continued)

	30.0VCD6	- To Those system	Restricted Savings
State	Asset Limit	Vehicle Exemption	Account
Nevada	2,000	one vehicle	7
New Hampshire	2,000	one vehicle <sup>12</sup>	=
New Jersey	2,000	\$9,500	<del>=</del>
New Mexico	1,500	one vehicle	**
New York	2,000/3,00013	\$4,650	**
North Carolina	3,000	\$5,000	·—
North Dakota	5,000/8,00014	one vehicle	_
Ohio	1,000	\$4,650	\$10,000
Oklahoma	1,000	\$5,000	2,000
Oregon	2,500/10,00015	\$10,000	*16
Pennsylvania	1,000	one vehicle	44-
Rhode Island	1,000	\$4,650	17
South Carolina	2,500	\$10,000	10,000
South Dakota	2,000	\$4,65018	1,000
Tennessee	2,000	\$4,600	
Texas	2,000/3,00019	\$4,650	-
Utah	2,000	\$8,00020	
Vermont	1,000	one vehicle	$10,000^{21}$
Virginia	1,000	\$7,500 <sup>22</sup>	5,000
Washington	1,000	\$5,000 <sup>23</sup>	3,000
West Virginia	2,000	\$4,500 <sup>24</sup>	_
Wisconsin	2,500	\$10,000	_
Wyoming	2,500	\$12,000 <sup>25</sup>	_

<sup>12</sup> The value of one vehicle per adult in assistance unit is exempt.

Source: One Year After Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997, Table III.1. The Urban Institute, Washington, D.C., May 1998. http://newfederalism.urban.org/html/1year.html.

<sup>13</sup> The asset limit is \$2,000 for most families, and \$3,000 for families in which any member is over the age of 60.

<sup>14</sup> The asset limit is \$5,000 for a single individual, and \$8,000 for two or more individuals.

<sup>15</sup> The asset limit of \$2,500 is increased to \$10,000 for families with at least one JOBS participant who is progressing in his/her self-sufficiency plan.

<sup>16</sup> The state allows participants in JOBS Plus to establish and IDA to be used for education.

<sup>&</sup>lt;sup>17</sup> Rhode Island state law provides for a statewide pilot program that allows recipients to keep up to \$2,500 in an IDA for microenterprise, but the program is limited to 30 recipients.

<sup>&</sup>lt;sup>18</sup> The value of a second vehicle up to \$4,650 is exempt when it is used for employment or training by another member of assistance unit.

<sup>19</sup> The asset limit is \$2,000 for most families, and \$3,000 if an elderly or disabled person is in the household.

<sup>20</sup> Exempt the entire value of a vehicle when it is equipped to transport a disabled household member.

<sup>21</sup> The account is restricted to savings from earnings, but there is no restriction on what the savings may be used for.

The vehicle exemption shown is based on rules that apply to families subject to the time limit. The vehicle exemption is \$1,500 for families exempt from the time limit.

<sup>&</sup>lt;sup>23</sup> The entire value of a vehicle is exempt when it is equipped to transport a disabled household member.

<sup>&</sup>lt;sup>24</sup> The entire value of a vehicle is exempt when it is used for employment or to transport a disabled household member.

<sup>25</sup> The value of a second vehicle up to \$12,000 is exempt for married couples.

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of any new service routes or facilities. This process often can take months, but the populations that need the service need it "yesterday."

#### Institutional Barriers

Changing institutional cultures so as to carry out new missions under welfare reform has been every bit as difficult as anticipated (41). Some states understood at the outset that expecting agencies to take on entirely new functions, and perhaps sharing program authority and working with unfamiliar groups, could raise major problems. The states that have been the most successful in implementing welfare reform are generally those that had engaged in extensive preplanning and interagency coordination, such as Wisconsin, New Jersey, and Ohio.<sup>36</sup>

The assumption of new roles and working with new partners are only two types of institutional barriers. Devolution has brought perhaps the most challenging institutional problems of all. Devolution of authority to the most local levels may have political cachet, but for purposes of implementing a cohesive and efficient welfare reform plan and especially for planning transportation services, it raises some problems. Where counties have responsibility for carrying out state welfare reform regulations, multicounty regions present major coordination challenges. The Atlanta metropolitan region is an extreme example of multiple jurisdictions.

The development of transportation services to connect persons from low-income Atlanta neighborhoods to far-flung suburban and exurban job centers requires extensive cooperation, not only between municipal officials and more than one transit agency, but also among all the myriad job developers and client support services, such as child care in each locality. The inherent difficulties bring to mind the metaphor of herding cats. Welfare-to-work programs should recognize that labor markets are regional, and therefore plans-transportation and otherwise-that affect them should also be regional in scope. Transportation planning especially should be comprehensive and regional, both to avoid the wasteful duplications of services that have occurred37 and to ensure the most complete coverage possible. Barriers to meaningful cooperation rise to another level when the regional market and the metropolitan area encompass more than one state, for example, St. Louis and Philadelphia, and the metropolitan planning organization (MPO) has an advisory role only. This is not to say that achieving comprehensive and consistent transportation and jobs-access planning for multi-jurisdictional regions is not possible, but it is certainly more difficult.

#### Knowledge Barriers

Absence of a Shared Vocabulary The absence of a shared vocabulary and what the Council for Urban Economic Development has termed a "cultural disconnect" have made the coordination necessary for effective welfare reform programs difficult to achieve. As an example, a transit agency may measure efficiency by increases in ridership, fare-box-recovery ratios, and ontime service rates; an employer may measure it by how well transit schedules mesh with its operations, and a commuter may value it by how fast the commute is and how few transfers it entails. One party may consider a particular service to be a great success, while others may consider it to be a dismal failure. Without a mutual understanding of the perspectives of all parties involved, much time and effort may be wasted, and the intended beneficiary, the welfare recipient entering the workforce, may not be well served.

Not Knowing the Needs of the Clients Some of the most egregious welfare-to-work transportation "glitches" have occurred for lack of basic market research, failure to "think beyond the box," and adoption of unfounded assumptions about the needs of the working poor. Much of the early transportation planning for the welfare-towork population appeared to ignore the fact that most of these new commuters are single mothers who need very flexible transportation. They have to accommodate both work and family demands. They cannot afford the time that is lost in lengthy commutes that leave them with very little left to spend with their children or to pursue educational opportunities that could enhance their lifetime earnings. Transportation planning for this population rarely goes beyond the basic commute to include all of their accessibility and mobility needs.

Both transportation planners and social policy planners appear to have overlooked the cash-flow problems of low-income households. Often, low-income people do not have cash on hand to purchase the most cost-effective transit fare instruments—monthly passes—or to pay for unanticipated car repairs.

Failure to recognize client needs and circumstances has led to some amazing mismatches between client needs and the transportation benefits offered to them. Some examples include issuing gasoline vouchers to people without cars, dispatching transit passes to people employed when or where there is no transit service, and donating reconditioned "clunkers" to people without the financial capacity to keep them in repair. Mismatches have occurred from the employment and training assignment perspective as well, with welfare clients sent to jobs or training programs with variable sites and no reliable means of getting from one site to the next.

#### Social Barriers

Not Quite "Ready for Prime Time": Realities of Moving from Long-Term Welfare to Work from the Individual's Perspective Although many welfare recipients have some work experience, this is much less true of long-term welfare recipients. They have not had to get from one place to another on someone else's schedule. Trying to figure out how complex transit schedules will fit their lives, or handling the costs and maintenance requirements of car ownership, can be overwhelming to someone who has little experience with such considerations, much less the culture of work.

Some welfare agencies have understood the need to familiarize their clients with the transportation details of getting and keeping a job and have included these details in their job preparation activities.<sup>38</sup> For the most "ready-to-work" people, these familiarization activities been quite useful; for those individuals still on the welfare rolls, ease of transportation access may be a formidable employment barrier that requires more intensive educational efforts. Many of these people do not own a car or even have a driver's license.<sup>39</sup> At least in the short run, such people will be entirely dependent on either public transit or some other type of transportation service to travel to places completely new to them.

Reliance on Undependable Networks Except for extreme hardship or temporary exceptions, able-bodied, adult welfare recipients are expected to assume job and family responsibilities—that is, the premise of PRWORA. To meet these responsibilities, low-income workers often have to rely on their informal network of supports (43). Occasionally, this means counting on friends or relatives to give them rides to work and for other purposes. Many will also depend on friends and relatives for child care. Reliability is a serious problem, and lack of it may cost a low-wage worker his or her job.

#### Financial Barriers

Cost Burdens to the Commuter Most of the jobs that welfare recipients find are low-paying, "dead end," service-sector jobs. Typical starting pay is well under \$8 per hour. Most such jobs do not include health care or other benefits, and few employers subsidize commuting costs for them. On these low wages, the costs of long commutes between low-income neighborhoods and distant suburban job centers are so burdensome that their sustainability is very questionable. 40

Blumberg and Ong have found, not surprisingly, that in the Los Angeles region, "the net wages of low-wage workers who commute relatively long distances are reduced by both out-of-pocket expenses and opportunity costs. Therefore, long commutes may discourage employment and result in higher turnover rates and lower net earnings." (44, p. 17) Research on transportation costs and wage differentials in the Philadelphia region found some evidence that higher wages are being offered for jobs in outer-ring suburbs than are offered for the same positions in the central city, but the difference is not enough to cover the increased commuting costs for the individual, whether using either transit or a privately owned automobile (Loveless, S., University of Pennsylvania, Ph.D. dissertation, unpublished).

Transportation is now the second largest category of household expenditure, accounting for more than food (45, p. 24). The travel to work greatly increases a household's transportation expenses. Table 7 shows household expenditures by public assistance status, household parental status, and work status. It shows a dramatic increase from 9.5 percent spent for transportation when a public assistance household has no workers to a 19.1 percent share of household expenses as soon as someone in the household takes a job. The impact of this increase in expenses can be staggering for families that often pay half or more of their income just for shelter.

Table 8 shows transportation costs and other budget categories for various types of families that live in Philadelphia, using the "self-sufficiency standard" developed by Pearce (46). Pearce's transportation figures show costs that are typical of a "reverse commuter" who travels from southwest Philadelphia, an area with many poverty census tracts, to the job-rich King of Prussia area in suburban Montgomery County, using public transit. These figures are shown in the table's shaded rows. Estimated transportation costs for other family members have been added. These figures also are based on assumptions that households will not have cash-flow problems to prevent them from purchasing weekly TrailPasses, which will bring transit costs down

TABLE 7 Household Expenditures from First Quarter of 1992 to First Quarter of 1994 (by Percent of Total Expenditures) (5, Table 5)

	Public	Not Public	Households Receiving Public Assistance			
Budget Categories	Assistance Recipient	Assistance Recipient	No Workers	Some Workers	Single- Parent	Two- Parent
Food & Shelter	59.5	46.9	71.7	53.4	69.1	54.0
Transportation	15.3	19.2	9.5	19.1	10.2	19.6

TABLE 8 Household Expenses for Selected Family Types Using the Self-Sufficiency Standard for Philadelphia (46)\*

Housing Child Care Food Transportation w/weekly Zone 4 TrailPass¹ w/monthly Zone 4 TrailPass¹ Medical Care	\$549.00 \$0.00 \$153.48 \$93.10 \$161.80 \$136.00 \$66.53	\$678.00 \$450.78 \$225.28 \$93.10 \$161,80	\$678.00 \$489.72 \$233.09 \$93.10 \$161.80	\$678.00 \$940.50 \$303.24 \$93.10 \$161.80	\$678.00 \$268.18 \$400.26 \$93.10 \$289.80 <sup>2</sup>	\$678.00 \$1,208.68 \$407.90 \$93.10 \$225.80 <sup>3</sup>	\$678.00 \$940.50 \$434.90 \$186.20
Food Transportation w/weekly Zone 4 TrailPass¹ w/monthly Zone 4 TrailPass¹ Medical Care	\$153.48 \$93.10 \$161.80 \$136.00	\$225.28 \$93.10 \$161,80	\$233.09 \$93.10	\$303.24 \$93.10	\$400.26 \$93.10	\$407.90 \$93.10	\$434.90 \$186.20
Transportation w/weekly Zone 4 TrailPass <sup>1</sup> w/monthly Zone 4 TrailPass <sup>1</sup> Medical Care	\$93.10 \$161.80 \$136.00	\$93.10 \$161,80	\$93.10	\$93.10	\$93.10	\$93.10	\$186.20
w/weekly Zone 4 TrailPass <sup>1</sup> w/monthly Zone 4 TrailPass <sup>1</sup> Medical Care	\$161.80 \$136.00	\$161,80					
Zone 4 TrailPass <sup>1</sup> w/monthly Zone 4 TrailPass <sup>1</sup> Medical Care	\$136.00		\$161.80	\$161.80	\$289.80 <sup>2</sup>	\$225.80 <sup>3</sup>	\$303 604
w/monthly Zone 4 TrailPass <sup>1</sup> Medical Care	\$136.00		\$161.80	\$161.80	\$289.80 <sup>2</sup>	\$225.80 <sup>3</sup>	\$303 604
Zone 4 TrailPass <sup>1</sup> Medical Care		*****					4505.00
Medical Care		district of the second					
	\$66 53	\$136.00	\$136.00	\$136.00	\$264.002	\$200.003	\$282.004
3 61 11	400.22	\$139.00	\$125.56	\$153.89	\$157.28	\$167.89	\$190.41
Miscellaneous	\$86.21	\$158.71	\$161.95	\$216.87	\$159.68	\$272.56	\$243.00
Taxes	\$220.85	\$409.28	\$421.72	\$577.35	\$340.08	\$748.18	\$621.39
Earned Income							
Tax Credit (-) Child Care	\$0.00	\$0.00	\$0.00	\$0.00	(\$86.44)	\$0.00	\$0.00
Tax Credit (-) Monthly	\$0.00	(\$44.00)	(\$44.00)	(\$80.00)	(\$46.00)	(\$80.00)	(\$80.00)
Self-Sufficiency							
	1,169.18	\$2,111.04	\$2,159.13	\$2,882.95	\$1,964.14	\$3,666.30	\$3,214.40
w/weekly Zone 4							
TrailPass \$ w/monthly	1,237.88	\$2,179.74	\$2,227.83	\$2,951.65	\$2,160.64	\$3,799.00	\$3,331.80
Zone 4 TrailPass \$	1,212.08	\$2,153.94	\$2,202.03	\$2,925.85	\$2,135.04	\$3,773.20	\$3,310.20
Hourly	1,212.00	Ψ2,100,01	Ψ2,202.03	φ2,723.03	Ψω,100.01	\$3,775.20	\$5,510.20
Self-Sufficiency							
Wage	\$6.64	\$11.99	\$12.27	\$16.38	\$11.16	\$20.83	\$9.13
w/weekly Zone 4							
TrailPass w/monthly	\$7.03	\$12.38	\$12.66	\$16.77	\$12.28	\$21.59	\$9.47
Zone 4 TrailPass	\$6.67	\$12.24	\$12.51	\$16.62	\$12.13	\$21.44	\$9.40 Per adult

NOTE: Assumptions include 8-h workday, 22 working days per month; housing costs based on HUD's Fair Market Rents, apt. w/ separate bedroom for parent(s) and no more than two children per bedroom; food costs based on USDA "Low-Cost Food Plan"; child-care costs from surveys mandated by Family Support Act of 1988, 75th percentile cost; full-time employees assumed to have health care, cost reflects employee's premium, out-of-pocket costs, including copayments.

<sup>\*</sup>PA-NJ Philadelphia Metropolitan Statistical Area (PMSA)-Philadelphia County, 1996.

<sup>&</sup>lt;sup>1</sup> Includes \$10 for taxi, other incidental travel cost.

<sup>&</sup>lt;sup>2</sup> Includes 2 monthly Transpasses (city only) for each school-age child; School District of Philadelphia does not bus most children.

<sup>&</sup>lt;sup>3</sup> Includes one monthly Transpass for school-age child.

<sup>&</sup>lt;sup>4</sup> Assumes both adults work in same area; one adult assumes all extra household travel expenses.

considerably from the per trip plus transfer costs they would otherwise face, but that they cannot afford the purchase the monthly Zone 4 TrailPass this commute would require. Purchase of the monthly pass requires an outlay of \$126 at the same time most low-income households must pay their rent.

Need for Funding Beyond Demonstration Projects Many transportation demonstration projects and provisional transit services have failed for lack of long-term, reliable funding. Welfare recipients and low-income workers without vehicles have complained bitterly that time and again they have gotten settled into jobs, relying on these transportation services, only to have them shut down, leaving them without means to continue to get to work. Some of the problems encountered by non-profit and other nontransit agency providers have been due to inexperience in transportation operations—the programs were not well designed to begin with, but failure to establish guaranteed funding has been a pervasive problem that has caused the demise of many programs that initially appeared well conceived.

Unfortunately, many "experimental" programs have unrealistic performance expectations built into them. Transit agencies, in particular, have imposed their standard operating requirements on new starts. The demonstration period may be too short to build ridership, and supplementary marketing efforts may be missing or misdirected. The best way to raise prospects for self-sustaining service is to aim for as broad a ridership as possible, including nonwelfare recipients. Still, there may be services that are deemed essential for policy reasons, whether they are self-supporting or not. In such cases, this services should be made clear, and the appropriate public subsidies guaranteed.

Resistance from Both Public and Private Sectors to Provision of Subsidies Subsidies are not popular, but they are facts of life. Subsidies are explicit or hidden in virtually every economic arena—food production, housing, foreign trade, and transportation, to name a few. Transit subsidies are particularly unpopular—everyone appears to be looking for a "free ride." Federal tax policy enables employers to subsidize the commute for both car owners and transit users, but few employers participate in transit subsidy programs, and fewer yet run their own employee transportation systems. Transit agencies know what response to expect when they ask for more public funding or for approval of a fare increase to cover increased operating costs; yet, they are expected to continue costly services without adequate funding.

The public appears not to recognize that thousands of single mothers now must go to work, but most do not earn enough to cover their own commuting costs fully without economic hardship over the long run. If it is a public policy goal to keep people off welfare, then it is not inconsistent to make it possible for them to get to work—which may be at considerable distances from where they live—by subsidizing their transportation. The private sector should also be expected to help make the commute affordable for its low-wage employees. Asking the public sector to pick up what are essentially business costs for ensuring workforce accessibility may not be an easy "sell."

# Characteristics of Successful Programs

# Mandatory Program Coordination and Information Sharing

Two essential features of successful transportation programs for job access are the designation of a lead agency or coordinator to ensure planning consistency and comprehensiveness and the existence of a central data bank that can be accessed by all parties that need information for planning purposes. The responsible agency should be at least at the regional level—such as an MPO—if not the state level; it must be an authority with "clout" (fiscal authority), not a purely advisory organization; and it must have decision-making authority. Unfortunately, experience has shown that without clear delineation of responsibility and some real power, a coordinating agency can be ignored. The coordinating agency should have knowledge of and influence over transportation initiatives throughout a region to avoid the wasteful duplications and the gaps in services that have occurred when planning is highly localized. This is a primary reason for developing and maintaining a central data bank. One of the major impediments to effective and efficient welfare reform planning has been the lack of integrated databases that are accessible to planners and policy makers.

# Public and Private Partnerships

Fortunately, numerous examples of fruitful public and private partnerships exist. These partnerships are key to maximizing the utility of existing resources. The most complex kinds of public and private partnerships—like Detroit's regionwide joint initiatives developed by the Metropolitan Affairs Coalition, the Southeastern Michigan Council of Governments (an MPO), and the regional transit agency [Suburban Mobility Authority for Regional Transportation (SMART), which is described later]—typically require a very high degree of coordination. Simple partnerships, such as the arrangement in North Carolina between a car rental agency and a local service agency to lease donated used cars for \$50 per month to welfare recipients who obtained jobs (32, p. 2), can contribute significantly, but they should not

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operate in isolation. Some regional entity should evaluate them and ensure that they operate within some kind of comprehensive plan and that necessary supportive services, such as in this case access to inexpensive but reliable car repair service, are in place.

# Flexible Transportation Planning Approaches

States are increasingly recognizing that the use of existing vehicles is one of the most economical ways of getting welfare recipients to jobs and other destinations. Tapping into such resources is a group effort that requires collaboration among agencies and organizations that may have never worked together.

-April Kaplan (47)

Transportation planning for mobility and job accessibility of low-income workers must be tailored to meet the differentiated needs of the target population; the characteristics of the local labor market, such as its spatial concentration; and the needs of employers, such as service to meet shift times. The most successful state programs recognize that there is no "one size fits all" approach, even within a region, and that transit-only assistance programs cannot reach some of the most transportation-needy people. Some examples of transportation options that could improve low-wage worker mobility and access are discussed in the following subsections.

Use of Paratransit–Senior Citizen Transportation Vehicles Typically, paratransit–senior citizen transportation vehicles are in their designated uses for only a few hours a day. In most cases, a dedicated funding stream has been paid for them. This is both a plus and a minus: a plus because the capital costs are largely already covered, and the vehicles are insured; a minus because often the existence of a dedicated funding stream carries with it an exclusive use requirement. Unless there is some way to revise that, these lightly used vehicles may not be available for any other purpose.

Where paratransit vehicles are within the fleet of a transit agency—for example, Southeastern Pennsylvania Transportation Authority (SEPTA) has paratransit vehicles—a funding problem may exist. The nonregular users must pay the agency for the use of the vehicles and drivers. These specialized vehicles are very expensive to operate, and funding for the specific purpose of transporting welfare recipients to work may not be available. If, however, there are empty spaces on any scheduled service runs, there is potential to use these vehicles to transport welfare clients. Detroit's transit system, SMART, runs transit service for seniors and handicapped persons in cooperation with local communities. For a minimal

fee, in addition to SMART's base fare, the vans used for this service will pick up low-income commuters, if space is available.

Use of Nonprofit and Community Organization Vehicles Nonprofit and community organization vehicles are another potential pool of existing multipassenger vehicles that could be used to transport low-income workers. Even in rural areas, many communities have church-owned vans, day care organization-owned vans, and the like. These vans are used for relatively short periods of time and sit idle otherwise. The main limitations are that use of these vehicles for commuters must be secondary to the demands of the organizations that own the vehicles, and again, as with the paratransit vehicles, there may be exclusive use conditions. Insurance should not present a problem; in most cases, a rider can be added to existing coverage without prohibitive expense.

Use of School Buses Highland County, Ohio, is one of several rural areas that allows its school buses to be used to transport welfare recipients to jobs, interviews, and training when the buses are not needed to transport school students. Use of school buses for non-school-related purposes may be restricted by law in some states or by board of education policies. These laws and policies are not necessarily immutable. School buses can be especially valuable transportation modes in very rural areas. Where public transit does not exist and community vans are insufficient, school buses may be the best means of transporting low-income workers to jobs.

Another variation of school bus use is a policy approved by the North Carolina Board of Education and the Department of Public Instruction that allows welfare recipients to ride school buses to jobs in the local school systems if they have no other transportation. In return, the adults serve as bus monitors.

Transit-Supplementary Services New Jersey Transit's "Jersey Jirneys" program uses 24-seater buses to collect 670 commuters per week on a route that links them to the Morris-Essex line, which goes directly into midtown Manhattan. Besides providing efficient transportation to commuters of all income levels, this connector service reduced the need for an expanded park-and-ride parking deck and increased the number of transit riders. The New Jersey Department of Transportation provided funding for two natural gasfueled buses. New Jersey Transit is offering challenge grants to encourage communities to create their own jitney services.

Numbers of similar services have developed in the last couple of years, making existing transit service more readily usable to people of all income levels. Some like the "Jersey Jitneys" are sponsored by transit agencies,

but others are run by transportation management associations (TMAs) and other nonprofits to fill observed needs.

Nontraditional Transit Services Transit agencies can expand usage of their existing routes and services by offering point deviation service for commuters on some routes, as SMART does in Detroit. When riders board the bus, they give the driver their work destination. The bus travels on the dedicated routes but, when necessary, will turn off to the places of employment. Riders can also request return service. A 25-cent fee is charged in addition to the base fare. SMART has also diversified its fleet mix to include more small buses and vans that can serve scattered locations and populations more cost effectively.

Specialized Commute-Supplementary Transportation Services The Ride-On TMA of San Luis Obispo, California, runs several types of specialized transportation services that could improve the mobility and access of transit-dependent, low-income workers. Among these are a "dial-a-ride" service that is available to those persons needing transportation at times that regular transit service does not operate, a "lunch time express" shuttle that enables workers to run errands during lunch time, and perhaps the most valuable of all, the "children's shuttle" that transports children to and from day care (48).

The Lehigh, Allentown, and Northampton (Pennsylvania) Transportation Authority (LANTA) plans to offer another variation of day care transportation service for low-income working mothers. LANTA has been working with area day care providers to develop a "drop off" arrangement to help transit users who must transport children to day care on their way to work. Day care personnel will meet buses and take the children to day care facilities so that the parents can stay on the buses and not lose time by having to wait for other ones.

Volunteer Drivers A program using volunteer drivers and patterned after the successful, widespread "wheels" programs that serves senior citizens offers some potential, though probably it would work best for occasional or emergency transportation services for low-wage workers. Use of volunteer drivers to transport commuters in private or community organization vehicles keeps transportation costs down, because labor is a large part of the cost of any transit program, but there are some cautions. Drivers must be very carefully screened. Most of the welfare-to-work population are women, some traveling with their children, so the driver's background is very important. Another likely problem is reliability, a weakness of many volunteer efforts. Workers must be able to count on their transportation. However,

this strategy offers a possible bonus: employment for welfare recipients as drivers or qualification as a TANFeligibility activity. At least one public housing authority is exploring the potential for setting up such a service among its residents.

Car Ownership Programs Access to one's own vehicle provides the highest degree of mobility, so welfare agencies in many areas have encouraged development of programs to place cars with working welfare recipients. There have been some serious problems, however, and several programs have been abandoned. The United Way in Berwick, Pennsylvania, for example, solicited donated used cars that were reconditioned. After 18 months, only two cars had been placed with working welfare recipients, and one of those placements had an unhappy result, with the recipient bringing suit against the donor. Detroit's ambitious Empowerment Through Car Ownership program had problems with cars being vandalized or stolen in the recipients' neighborhoods. Additional difficulties arose from failure of recipients to take proper care of the vehicles, even though they were given extensive instruction before receiving the cars.

Perhaps the most advantageous and workable variation of car ownership for low-income people is car sharing through car-sharing cooperatives. Car-sharing co-ops usually operate with enough vehicles in their pool that if one is out of service, another is available, which is key to people dependent on these vehicles for commuting to work. The joint ownership and sharing of operating expenses, including dispatch management, maintenance, repair, and insurance, bring the cost of access down into the affordable range for many lowincome households. Public housing agencies and other institutions, including faith-based organizations, could provide several elements necessary for the establishment and operation of a successful co-op: (a) a critical mass of members; (b) a secure site for keeping the vehicles; and (c) assistance with organization and management.

# Inclusion of Wraparound Services

Low-income workers, especially single parents, need transportation services that go beyond the work commute, if they are going to meet their nonwork responsibilities in ways that do not adversely impact their work responsibilities. The child care transportation services, such as San Luis Obispo's "children's shuttle" and LANTA's "dropoff" plan described earlier are examples of the kinds of additional transportation programs that can help keep working mothers on the job. Another critical transportation service for working mothers without vehicles is the "guaranteed ride home." Without this feature, many single parents could not consider long-distance commutes,

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such as the PACE express bus routes out of Chicago to suburban workplaces 60 mi (96.6 km) away.

The "comprehensive, coordinated, and centralized" approach of the Greater Richmond Transit Company as a partner in the Virginia Initiative for Employment, Not Welfare (VIEW) provides one model of a full-service transportation program (49, p. 38). This agency runs a transportation database for its VIEW partners, operates "one stop" information services for VIEW participants, and offers the participants a "stratified range of transportation options to include carpools, vanpools, transit, taxi, and shared-ride services." (49, p. 38)

# Long-Term Outlook

In general, the "mobility" strategy for connecting welfare recipients to employment should be regarded as a short-term "fix." Welfare reform deadlines create a strong tendency for agencies that are responsible for placing welfare recipients in jobs to connect them with whatever job they can find, wherever it might be. Unless due consideration is given to the impact of commuting time on the individual's family responsibilities and to the real potential of a given job to allow an individual to progress to a self-sufficient wage level, job placements are likely to fail.

Unfortunately, many of the areas with the greatest number of entry-level, low-skill job openings that are suitable for most welfare recipients are just too far away. Few realistically self-sustaining job opportunities are concentrated in transportation corridors, such as the ones served by PACE outside of Chicago. Extensive mapping studies undertaken in both Cleveland and Boston came to discouraging conclusions: most of the job opportunities are out of commuting reach. In Cleveland, the finding was that "even with an 80-min commute, residents from these areas (low-income neighborhoods) could reach less than 44 percent of the appropriate job openings." (50, p. 7) In Boston, 48 percent of existing entry-level jobs "cannot be reached by transit within 2 hours," and "not one of the potential employers in high-growth areas for entry-level work can be reached within 30 minutes by transit." (51, pp. 8, 9)

#### Financial Sustainability

To be useful to low-income working people, transportation programs must be dependable. This requires adequate and predictable funding to sustain them. TANF and other federal programs provide significant public sector funds that can be used for transportation, but these funds should be considered only transitional. For the longer term, transportation services for low-income workers should be based on local public funding, private funding, or self-sustaining fares. This should be a guiding principle of any proposed service.

# PLANNING FOR ACCESS TO JOBS IN THE 21ST CENTURY

#### Societal and Economic Importance of Improved Job Access

The political decision to "end welfare as we knew it" carries with it a moral imperative to ensure that those who depended on the welfare safety net, and now must fend for themselves, can in fact do so, with some prospect of certainty. Failure to be cognizant of this and to have the appropriate assistance for job access in place carries with it a very real and very high social cost and a potential threat to political stability. Social tranquility and economic vitality require a solution to the spatial and skills mismatches of labor.

Job-access policies must look beyond the short-term, welfare reform, and time-limit-driven "work first" goals. The jobs that welfare recipients are placed in must have some prospects for advancement to wage levels that are truly self-sustaining. Welfare assistance ends for all able-bodied adult welfare recipients at some point. If they start in "dead-end" low-paying jobs, there is considerable evidence that they may never be able to improve themselves and become economically self-sufficient (35). This concern strongly suggests that access to continuing education and training is as critical as the initial job placement. Transportation planning for lowincome populations must include improved links from workplaces and residences to training and educational centers. This development will require more flexible service-perhaps by means other than standard bus and rail routes-and fuller transportation service to these educational and training facilities on weekends and evenings when low-income working people are most likely to be able to use them.

A highly trained, fully employable, mobile workforce has major economic development benefits. Support of this should be regarded as a goal of both public- and private-sector human capital development programs. Because of the direct benefit to businesses, these programs should be expected to take a more active partnership role with educational institutions in providing employees with the necessary skills and education and in assisting employees with transportation access to education facilities, if necessary.

Welfare to work policies should be amended to reflect the fact that low-wage workers need transportation assistance that is income, not time limited. Arguably, workers who use transit or other nonprivate vehicular modes are entitled to the same degree of consideration as their higher-wage coworkers who drive to work and park for free. When Congress created TEA-21, the equity that it was concerned with was the equity among states in their ratios of gas tax contributions and returns in federal transportation funds. It is time to emphasize a different concept of equity—the social equity of transportation services and tax treatments.

# What the Demographic Trends Portend

Women have a labor participation rate that has grown from 37 percent in 1969 to just under 60 percent in 1995, although the rate of growth has been leveling off in recent years. There are important underlying employment trends: more women are holding multiple jobs. As Rosenbloom notes, "almost 40 percent of all women workers do not have a day shift job (defined as a work schedule where at least one-half of the hours fall between 8 a.m. and 4 p.m.). Twenty-three percent of all full time working mothers and almost 60 percent of those working part time not only don't work the classic 9-to-5 day, they don't even work most of their hours during that traditional period." (17, p. 21) Those maintaining such work schedules presumably have managed to cover their transportation and child care needs. But it is dangerous to assume that welfare mothers will have the ability to take jobs in these nontraditional shifts, given the capacity of existing services to help them connect to such jobs and still manage their family responsibilities.

Aside from inadequate off-peak transit services, which preclude many employment possibilities for those persons without vehicles, child care coverage remains a serious problem. Most day care facilities are just that—they do not operate in the evening. Typical day care will be inadequate for many because older children will be out of school and unsupervised for several hours a day. Many child care facilities will not take older children after school, which undoubtedly will contribute to the "latchkey" child phenomenon.

The 1995 NPTS showed an unsettling, growing disparity in household vehicle ownership. While the number of households without vehicles dropped from 13 million to 8 million between 1969 and 1995, the incidence of low-income households and African-American households without vehicles remains disproportionately high. At the same time, the number of households with three or more vehicles has grown during the same period from 3 million to 19 million (13, p. 7). This growth suggests continuing mobility and accessibility access equity issues.

The aging of the population will increase the "sandwich generation" of women who will have elder care, as well as child care responsibilities, in addition to their job demands (17, p. 22). This, in turn, is likely to increase the number of trips made by women.

#### Increasingly Mobile Labor Market

In the 21st century, there will be a greater premium on mobility, both in the workforce and in goods movements. In service industries, instant delivery is a trend. In businesses with multiple worksites, such as nursing home chains and retail stores, management will need to be able to shift employees around to meet rapidly changing staffing needs. Flextime employment is growing. Between 1985 and 1991, workers with flexible schedules increased from 12.3 to 15.1 percent of total employment. More businesses are 24-h operations by necessity, as in health care and criminal justice facilities, and for cost-efficiency reasons. This means an increased demand for night-shift and weekend-shift workers. If transit is to serve a significant number of low-income commuters, it will have to provide far more service, spatially and temporally, than it does now. This development would raise serious fiscal and policy issues.

Telecommuting is still in its infancy, but many predict that it will account for a larger share of workaccess practices. Directly, this trend may not affect low-skilled, low-income workers, especially those lacking computer literacy. Indirectly, it may create the need for support services (e.g., office supply stores, printing businesses, and food service) that typically employ large numbers of low-skilled, low-wage workers in widely dispersed locations, thus creating new accessibility challenges.

#### Continuing Location Constraints

The "theory of second best": Where low density residences in suburban job centers are protected by regulation, they are effectively subsidized for those households that can afford such housing. Households unable to afford residence in such communities may choose the closest substitute available to them: commuting there.

-Ionathan Levine (22)

At least in the short term, transportation planning should focus on finding ways to mitigate long commutes for welfare recipients and for other low-income workers. Opportunities for low-income households to move closer to suburban job centers will be very limited. Affordable housing has been a long-neglected market segment, and it remains to be seen whether any of the new government-provided or non-profit-generated incentives will have any measurable impact on afford-

able housing stocks—rental or sale—in the suburbs. However, in the long run, serious efforts to change exclusionary housing policies are needed. Jobs-housing imbalances are costly to sustain,

#### Effective Use of New Technologies

Several of the more ambitious transportation programs that involve welfare reform have made effective use of new Geographic Information Systems (GIS) and intelligent transportation systems technologies. Some examples follow:

- Detroit is one metropolitan region that already relies heavily on technology for central dispatching, vehicle tracking, and scheduling purposes and has plans for far more extensive use.
- New Jersey Transit and Gloucester County used GIS mapping to help the transit agency modify routes and schedules so as to pick up the maximum number of welfare recipients. Through geocoding, Rutgers University had determined that 94 percent of all New Jersey's WorkFirst New Jersey/TANF participants lived within one-half mile of fixed-route bus or rail service. Knowing exactly where the participants lived and where they needed to go allowed New Jersey Transit to make modifications to broaden access.
- To improve access of transit riders to child care facilities, SEPTA and the Delaware Valley Child Care Council are collaborating on a GIS mapping project that identifies streets, SEPTA routes, licensed child care facilities, and major employment locations. The information will be presented in map form and distributed to public welfare agencies, job-placement agencies, employers, libraries, and major transit centers.

#### Research and Data Needs

There is a great need to fill the knowledge gaps and to disseminate the knowledge required for sound planning and program implementation. Consideration must also be given to developing a more relevant evaluation system. Trying to measure the success of welfare-to-work transportation programs with standard transit ridership statistics and other service performance measures is inappropriate—it puts the needs of the transit agency, not the client, first (49, p. 37). Some transportation providers have taken steps to make their services more customer-driven. A transportation task force developed by the Santa Cruz (California) Metropolitan Transit District's Coalition for Workforce Preparation identified the following set of "guiding principles" as useful service and program-evaluation measures:

- Transportation issues will not constitute a barrier to work or workforce preparation in Santa Cruz County.
- 2. Transportation will be accessible and affordable for job seekers, students, workers, employers, and their children.
- Transportation planning for welfare-to-work participants and single parents will take into account transportation for children to school and child care.
- 4. Transportation will build closer links to the regional labor market for Santa Cruz County job seekers.
- 5. The transportation system will include workforce preparation and welfare reform as priorities, and will proactively develop flexibility to respond to the emerging needs of single parents, current trainees, and school leavers.
- 6. Job seekers, trainees, and employers will be involved in transportation planning to the extent possible.
- 7. Child care planning will include consideration of transportation issues for low-income job seekers, trainees, and their children.
- 8. Workforce preparation planning will include consideration of transportation issues for low-income job seekers, trainees, and their children.
- 9. Transportation planning will include consideration of transportation issues for low-income job seekers, trainees, and their children.
- 10. The Coalition for Workforce Preparation will promote transportation alternatives that do not increase congestion or degrade air quality (49, p. 40).

Few states specifically survey welfare recipients or those leaving the welfare system about their transportation needs. In a survey of the states conducted by the National Governors' Association, the National Conference of State Legislatures, and the American Public Welfare Association, only Kentucky, Oklahoma, South Carolina, Tennessee, and Washington indicated that they specifically sought or intended to seek such information, which is critical to comprehensive and effective welfare reform and job-access transportation planning (53).

Much more detailed research is needed on differences in travel patterns by gender, age, race, income, geographic location, educational and skill levels, and household characteristics (e.g., housing tenure, number of children, ages of children, marital status, number of working adults in the family, work-shift times, and number of jobs per working adult). Rosenbloom calls for research into the observed differences in commuting patterns between genders and among races. She warns against making assumptions about the reasons for these differences (18, pp. 23–24).

Travel demand models have been limited in their accuracy by assumptions made because information

was lacking. Most trip-generation models do not presently have the capability to differentiate on the basis of detailed demographic and household characteristics, even though it is known that these differences do have large impacts on travel decisions. McGuckin and Murakami recommend extensive research on the effects of travel mode on the number, type, and duration of stops, as well as on the effects of density and commuting distance on the probability of trip chaining (14, p. 10).

Data categories and research that have been identified as important to coordinated transportation, social services, and economic development planning are as follows:

- Demographics, including labor force participation rates, and detailed breakouts for low-income individuals and households by public assistance categories, number of children and their ages, and level of education attained;
- 2. Transportation system characteristics, especially transit schedules and routes relating to employment centers (especially for low-skill, entry-level jobs), educational and training facilities, child care facilities, and hours of operation for all; private-sector transportation capacities and availability;
- Detailed travel data, especially for trip-making purposes and reasons for modal choice; effects of parttime employment and nontraditional shifts on travel patterns and traffic loads;
- Land use data, especially location of affordable housing in proximity to major employers;
  - 5. Economic conditions and business practices;
- Labor market characteristics, especially spatial distribution and growth rate of entry-level job openings by skills requirements and industry classifications; spatial distribution of entry-level jobs by gender, skills, and qualifications;
  - 7. Regulatory and planning requirements; and
  - 8. Improved communication and planning techniques.

#### SUMMARY AND CONCLUSIONS

#### Critical Role of Transportation Planning in Facilitating Access to Jobs in the 21st Century

Transportation is the crosscutting factor in all welfareto-work planning. It is the function that provides the mobility to individuals that opens up their widest range of opportunities and access to those opportunities and the supportive services they need, particularly continuing education, training, and child care. Furthermore, transportation is essential to achieving full employment of the most economically vulnerable segments of the labor force.

#### Major Issues and Policy Questions

Efforts to refocus transportation planning for low-income populations should address the following questions:

- Are transportation subsidies appropriate to support the mobility and access needs of low-income populations? If they are appropriate, who should pay the cost and how much? Who decides?
- How can maximum utility of existing transportation capacity—in both the public and the private sectors—be achieved in meeting the travel needs of low-income individuals without vehicles? What modifications are required in regulations, attitudes, and organizations? How can private-sector partnerships be encouraged?
- How can coordination of transportation planning with social services planning be improved? How can institutional barriers be overcome?
- How can input from underrepresented groups be incorporated into planning processes more effectively? What techniques can be used to build trust and gain information from these groups?
- What can be done to develop better estimates of the impacts of economic change and evolving business practices on labor markets, locational decision making, and demand for transportation services?
- Should regulatory processes and mandates be reviewed for relevance, appropriateness, equity, consistency, and impacts on innovation and enterprise? If so, by whom? How often?

#### NOTES

- 1. The definitions for "mobility" and "access" used in this paper are those given in U.S. Department of Transportation's (USDOT's) Transportation Statistics Annual Report 1997: Mobility and Access (4). Mobility is defined as the "potential for movement. It expands the geographic choices available to people and to businesses." Accessibility is defined as the "potential for spatial interaction with various desired social and economic opportunities."
- 2. The American Public Transportation Association lists the following annual costs for a small car (1996 dollars) at \$4,380 for 10,000 mi/year (16,093 km/year), \$5,565 for 15,000 mi/year (24,140 km/year), and \$6,680 for 20,000 mi/year (32,187 km/year) (6). Most single heads of low-income households will not drive more than 10,000 mi/year (16,093 km/year). The average vehicle miles traveled per household for low-income households was about 11,600 mi (18,668 km) in 1995 according to the 1995 NPTS (5, Table 9).
- One insurance company in Philadelphia charges the following insurance rates for full coverage, with

\$100,000 to \$300,000 liability and a \$500 deductible for drivers with clean records: \$6,200 per year for a 20-year-old single male driving a 1998 Mustang GT Coupe and \$2,600 per year for a 27-year-old single woman driving a 1996 Honda Accord wagon (7).

- 4. The 1995 NPTS shows that the average age of a vehicle is 10.9 years for low-income families and 8.3 years for all families (5, Table 4).
- 5. Private vehicles are used for most work commutes: 84 percent for low-income persons; 83 percent for low-income, single persons; and 90 percent for non-low-income persons (5, Figure 2).
- 6. A detailed check of Milwaukee County welfare recipients in 1995 found that 12 percent of those who would be expected to work under welfare reform laws actually owned vehicles or that members of their households did, even though an earlier survey showed that only 3 percent of this household population owned a car (8).
- 7. An example of a cutback in services: Loss of federal subsidies led to a reduction of Birmingham, Alabama's, Express (MAX) service by one-half and cancellation of all Saturday service. Alabama does not provide state funding for public transit (2).
- 8. David Oedel describes how limited transit service excludes minority and low-income job seekers in Macon, Georgia:

The bus system still cannot be relied upon for transportation to most entry-level positions. Such jobs typically require evening, weekend and holiday shifts. At those critical times, Macon's bus system is silent.

Meanwhile, Macon's largest employers are located on the periphery away from any bus line. One result is that the first and most important question on the lips of Macon's employers of unskilled labor is, 'Do you have a car or some other reliable (private) way to get to work?' The absence of a car means the absence of a job, because the bus system is typically useless for a worker. (9, p. 103)

- 9. The National Alliance of Business commissioned a national survey of employment practices of private-sector establishments in 1998. The survey found that nearly half of all companies use workers from temporary help agencies. Nearly two-thirds of the survey respondents also indicated that they expect to increase their use of "flexible staffing" arrangements (temporary, part-time, contract workers) in the next 5 years (10).
- 10. Walking and bicycling are not evaluated in this report, even though walking is a much more common mode of travel for the low income individual than with other groups. Single, low-income workers walk for 7 percent of their commuting trips, but all others walk for only 3 percent of their commutes (5, Figure 2).

Bicycling is a minimally used means of commuting for the working poor. Where transit accommodates bicycles, bicycles have the potential to bridge the trip end between final destination and transit stop.

- 11. One nursing home facility in Delaware County, Pennsylvania, estimates that as many as half of the certified nursing aides and other low-wage, entry-level workers use these services to come to work. It is well known that these "gypsy" vans and taxis exist, but because they are illegal, it is difficult to get "hard" information on them. For the commute from central Philadelphia out to the nursing facility, the average charge is about \$20 per week.
- 12. The 1995 NPTS sample population of low-income and low-income, single-parent households is geographically distributed as follows: 23.1 percent (25.8 percent) in urban areas, 20.6 percent (24.1 percent) in what are termed "second cities," 11.8 percent (14.7 percent) in suburban areas, and 25.1 percent (17.2 percent) in rural areas (5, p. 5).
- 13. Work trip data may be obscured somewhat because NPTS breaks down any home-to-work or work-to-home with an intermediate stop (e.g., to pick up or drop off a child) into separate trips for separate purposes.
- 14. There is a slight discrepancy between the average vehicle-occupancy (AVO) figures in the Bureau of Transportation Statistics' *Early Results* report and in Murakami and Young's report (5) apparently due to different weighting procedures. The former figures show a 1.14 AVO for work trips and a 2.17 AVO for "social and recreational" trips for all households (14, p. 24).
- 15. Spatial mismatch has been defined as "the disjunction between where jobs are now located as a result of economic restructuring and where job seekers live." (19, footnote 23)
- 16. Housing has been described as "the basic way we distribute opportunity in metropolitan America." (23, p. 192)
- 17. One out of three households with circumstances that are characterized by the U.S. Department of Housing and Urban Development (HUD) as having a "worst case housing need" (defined as households with incomes less than 50 percent of the area median income or living in severely substandard housing) are in the suburbs (24).
- 18. Mark Hughes discounts the other two main strategies—dispersal and development—for addressing regional labor market imbalances. He describes the phenomenon of metropolitan decentralization, a basic assumption of both of the dispersal and development strategies, and gives the following explanation of the inadequacies of these alternative strategies:

[E]mployment and population have relocated toward the periphery while the poor have remained behind in the core. Dispersal strategies seek to decentralize the residences of poor people from the central city to the suburbs. Development strategies seek to recentralize regional employment from the exurbs to the central city. For the most part both strategies have failed. In essence, dispersal strategists underestimate the politics of the problem: the structure of our metropolitan settlements provides numerous mechanisms to prevent dispersal. Development strategists misunderstand the economics of the problem: jobs have relocated to the metropolitan periphery for reasons that would be too costly to reverse, if they could be reversed at all. (25, p. 294)

19. This assumes that inner-city welfare residents will find well-paying jobs in the suburbs (self-sufficiency wages) and will bring wealth back into the community. This belief is both naive and unfounded. There is a considerable body of study and early postwelfare reports that contradict the notion that low-income "reverse commuters" will bring back more money into their home communities. Studies of welfare recipients in Maryland and in Philadelphia show that most welfare recipients are finding jobs in the lowest-wage categories (e.g., child care, low-end retail, housekeeping, and nursing aides (26; Loveless, S., University of Pennsylvania, Ph.D. dissertation, unpublished) and that actual wages are typically \$5 to \$7 per hour (27). Furthermore, there is no guarantee that if low-income "reverse commuters" make enough money to move to the suburbs that they will choose instead to remain in their typically rundown, underserved neighborhood. Better schools, lower crime, and other suburban advantages may outweigh the comfort of an immediate network of family and friends.

20. Nationwide, between 1980 and 1990, 75 percent of the growth in population occurred in suburban areas, raising the suburban share of metropolitan populations from 58 to 62 percent. The most rapid growth was in moderately large metropolitan areas—2.5 million to 5 million. The larger urban areas experienced stagnation (13, pp. 18, 20). During the same period, two-thirds of total employment growth occurred in the suburbs, raising the total share of jobs from 37 to 42 percent.

21. Both cities also suffered large employment losses as a result of national and global market trends. Boston lost virtually all of its textile and apparel businesses; these labor-intensive industries shifted to developing countries with much lower labor costs. Later, a new computer industry emerged, but workforce-skill requirements for this industry were quite different from those for the textile industries. Philadelphia, long a center of banking and insurance, was a victim of mergers and consolidations with new entities that chose to locate merged headquarters offices in other regions.

Philadelphia, too, had once-prominent textile and apparel industries. They now have passed into the twilight, along with brand names like Stetson Hats and After Six Men's Formal Wear. Many of the jobs lost were relatively low-skilled positions. Only recently has Philadelphia experienced net job creation, but almost entirely low-wage, service-sector jobs with limited advancement potential.

22. Between June 1997 and 1998, the Sarasota-Bradenton area experienced greater than 15 percent growth in its service sector. The Charleston-North Charleston-South Carolina region placed second in service-sector job growth (30).

23. This separation of labor transportation costs from other business transportation costs has led to some perverse business location decisions. A case in point: Asher's Chocolates, an old Philadelphia candy maker, had its manufacturing plant in the Germantown section of the city for decades. Recently, the firm's management decided to move plant operations to Franconia in Montgomery County, a very rural area on the outermost fringe of the metropolitan area. Asher's had a valued workforce, including many second- and even third-generation employees, that management wanted to keep. When management broke the news of the move to its employees, there was great consternation. Management had assumed that the employees would make the move of more than 60 mi (96.6 km) and continue to work for the candy maker. Employees explained that they could not afford to move, and most did not wish to, even if they could. To keep its valued workers, Asher's has decided, for the time being, to bus them from the old plant location to the new plant, a 120-mi (193.1-km) daily round-trip.

24. Some states find comfort in the fact that they have dramatically reduced their welfare rolls since PRWORA was enacted. But failure to look beyond why and how the welfare rolls were reduced will leave the states in poor shape for taking corrective actions should job growth falter. For some states, the drop in welfare rolls is a continuation of a trend that was well established before welfare reform. In addition, most states have adopted far more stringent eligibility requirements for welfare assistance, turning away applicants with admonitions to get help from friends and relatives.

25. Maryland is one of the few states presently engaged in in-depth postplacement assessment. A random sample of 5 percent of exiting cases is drawn each month and profiled. Each individual is recontacted at 3, 6, 12, 18, and 24 months postexit, and information is gathered on such key topics as employment status, earnings and job type, job-retention history, returns to welfare status, recidivism risk factors, length of subsequent welfare spells, and child welfare impacts, especially any foster care placements (26, p. ii).

26. Even Wisconsin, a leader in welfare reform, cannot definitively tell what has happened to those individuals who went off the welfare rolls or to those who have come back on. A study by the University of Wisconsin-Milwaukee of 8,500 recently closed cases found that nearly 70 percent were still receiving welfare, but 3 in 10 could not be found in the administrative data systems (31).

27. In 1998, nearly a year and a half after its state welfare-reform-implementing legislation went into place, Pennsylvania's Department of Public Welfare conducted a telephone survey of welfare clients who had been placed in jobs. Nearly one-quarter of the sample reported that they were no longer working. As negative a finding as this was, it probably under-represents the actual fallout rate, because only respondents who had telephones were included.

28. Household income, after deducting job-related expenses such as transportation and child care costs, may be much less.

Maryland's preliminary follow-up study found a
 percent return-to-welfare rate after 1 year.

- 30. Among the hard and fast limits on state welfare reform programs are a 5-year lifetime cap on individual eligibility for TANF funds and a requirement that recipients be engaged in least 25 h of work or approved activities per week after receiving TANF assistance for 2 years. These approved activities may include community or volunteer service and a limited amount of training and schooling. States cannot give more than 20 percent of their caseloads "hardship" exemptions from these limits (33). These time provisions are maximums; states were allowed to elect shorter periods for TANF eligibility for their caseloads.
- 31. This "diversionary" tactic has been used by many public assistance agencies to keep their welfare rolls down by basically not allowing new people on.
- 32. SSBG funds "may be used to serve families and children up to 200 percent of the poverty level, allowing States to address the needs of the disadvantaged population with a blend of transportation services." (34)
- 33. Most states have been reluctant to provide any kind of workfare.
- 34. The Greater Upstate Law Project, Inc., estimates that New York's job gap is more than 900,000.
- 35. A HUD study found that "a family moving off the welfare rolls when a member enters the workforce as a result of welfare reform is likely to still have the worst case needs for housing assistance, because such individuals typically begin working at a very low wage level." (24)
- 36. Ohio's implementing legislation requires each county to develop a transportation plan, with articulated policies for meeting the transportation needs of all of its low-income residents who are seeking employment or who are striving to keep their jobs. These plans

must be developed in concert with county departments of human services; with transit agencies where they exist; with any community-action agencies that serve the area; and with representatives designated by board of county commissioners from private, nonprofit, and government entities with overlapping missions. In addition, at the state level, Ohio requires the participation of the Director of Human Services (42).

37. In the absence of regional coordination, several nonprofit organizations operated overlapping services in Philadelphia. As a result, some neighborhoods were well served with transportation options to employment and training centers, while others had none at all. This situation has been replicated across the country.

38. The Southeastern Pennsylvania Transit Authority (SEPTA), the Philadelphia region's transit agency, instituted a "train the trainer" program to familiarize those responsible for placing welfare recipients into training programs and jobs with fare structures, route options, and schedules. SEPTA also produced a very well-received series of pamphlets that give detailed transit alternatives for commuting from six geographic areas of Philadelphia to major job locations in the suburbs.

39. A car provides the optimal mobility. But one of the most significant barriers to using a car—if one is available—is the lack of a valid driver's license. In a Wisconsin study of AFDC recipients who were classified as "expected to work" in December 1995, only 25 percent had a valid driver's license (8).

40. At best, many low-income families will be stuck in poverty, while the head of the household spends hours a day on the "Soweto Express." As a work incentive, many states allow some degree of income disregard in calculating the amount of cash assistance a given household is entitled to. Thus, a working welfare recipient may appear to be better off than one who does not work. However, the cash-assistance supplement does not continue indefinitely, whether a recipient is working a full, 40-h week or not. In a short time, virtually all welfare recipients and their families are expected to be self-sufficient.

41. Transportation providers should market their services to prospective employees as well as to employers. They also should treat these potential new riders as "choice," not "captive," even if realistically these riders have no alternatives.

42. These affordable housing incentives include the Fannie Mae-supported "location-efficient mortgage" (LEM) program that was announced in the fall of 1998. The program gives mortgage credit for transit access and corresponding lack of need for a personal vehicle. Qualifying households are allowed to calculate what they would have otherwise spent on a vehicle and to increase their mortgage eligibility by that amount.

43. The Metropolitan Affairs Coalition developed a very ambitious regionwide transportation program that

will rely on GIS and Global Positioning Systems technology to create a seamless "two-tiered system, with a Community Transit Service level for short, local trips linked with a Regional Transit Service level for longer, multi-community trips...a system using various types of vehicles tailored to customer needs...a technology-rich system offering customers immediate and accurate information about vehicle departure and arrival times, with the flexibility to adapt vehicles and routes to customer needs" (52).

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