Transportation Issues in Welfare Reform

Background Information

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This paper was prepared for the U.S. Department of Labor, Employment and Training Administration, under Contract No. F-5532-5-00-80-30. Opinions expressed are those of the author and do not represent official positions of the Department of Labor or the Urban Institute.

For all workers who are employed outside their home, getting to work is an obvious and important dimension of their employment. For those workers without easy access to transportation and/or long commutes, this logistic becomes increasingly important. As states are attempting to aggressively move welfare recipients into employment, transportation is being identified as one of the top barriers to employment. This paper provides a very brief summary of key background information on issues relevant to understanding the role of transportation in welfare reform.

How do people get to work?

According to the most recent statistics, the most common mode of commuting to work in the United States is by driving one’s personal vehicle, and the trend in the use of private vehicles has increased continuously in the past four decades. Between 1960 and 1990, the number of workers using this mode of commuting increased by over 140 percent (while the total U.S. population increased by about 30 percent). In 1960, 41 million workers (67 percent of all workers) drove to their jobs, compared with 100 million workers (87 percent of all workers) in 1990 (Ball 1994). About 90 percent of all U.S. households now have at least one private vehicle (U.S. Department of Transportation 1997). The share of workers using all other modes of commuting (walking, public transportation, carpooling) declined between 1960 and 1990. Experts agree that most Americans prefer to drive to work, and most do so as soon as they are financially able.

In addition, most commuters do not go far or take too long to get to work. The vast majority of people (70 percent) spend less than 30 minutes commuting to work, leave for work between 6 and 9 am (70 percent), and travel less than 9 miles (52 percent). Distances have increased slightly in the past decade, but travel time has remained constant (reflecting increased speed) (Ball 1994).

There are, however, variations in commuting by geographic area and by demographic characteristics of individual workers. The following variations are important when considering welfare reform:

- Central city vehicle ownership is lower than the national average—about 80 percent (compared with 90 percent). In very large cities, a lower percentage of residents own vehicles (e.g., in the New York City/Northern New Jersey metropolitan area, about 65 percent of all households have a vehicle).
- Blacks are less likely than other ethnic groups to own vehicles. Nationwide, about 30 percent of Blacks and 18 percent of Hispanics are without vehicles. In central cities, the ownership rates are even lower: 37 percent of Blacks and 27 percent of Hispanics in inner cities do not own a vehicle (and well over 40 percent of Blacks in very large cities such as New York, Washington, D.C., and Philadelphia do not have vehicles).

Even in rural areas, where about 95 percent of all households have vehicles, 20 percent of Blacks do not.

- Workers in the Northeast have longer journeys to work, and workers in the Midwest have somewhat shorter commutes. In the Northeast, 55 percent of workers commute less than 30 minutes, compared with 71 percent in the South, 73 percent in the Midwest, and 68 percent in the West.
- Workers in the South and West have shorter commutes to work: In the Northeast, 31 percent travel less than four miles, compared with 26 percent in the South, 32 percent in the Midwest, and 27 percent in the West.
- The mode with the shortest travel time is commuting by private vehicle, followed by car pools. Small car pools have shorter travel times than large car pools. The longest commutes are by public transit (bus or rail).
- Travel time for Black workers is longer, but distance to work is somewhat shorter than the national average and than for whites and Hispanics. Thirty-one percent of Blacks (compared with 24 percent of all workers) travel over 30 minutes to get to work, and 80 percent of Blacks travel less than 20 miles to work (compared with 75 percent of all U.S. workers).
Both travel time and distance are shorter for commuters with incomes below the poverty level than the national average. Both travel time and distance are longer for persons living in the suburbs, while travel distance and time for central-city residents are about the same as the national average, perhaps slightly shorter. "About 6 percent of all commuters take longer than one hour to get to work, rising to about 8 percent in metropolitan areas with over 1 million population" (U.S. DOT, Commuting in America II).

What are current commuting patterns?

There has been a major increase in suburban commuting in the past 30 years. According to the Department of Transportation’s report Commuting in America II, this shift coincides with employment growth, so the largest increase has been in suburb-to-suburb commuting. About 50 percent of commuters live in suburbs and 41 percent of the jobs are in suburbs. Suburbs are now the "main destination of work trips." However, the second most common commuting pattern is within central cities (25 percent of all workers), meaning that working in cities is still quite significant.

### Percent of Workers by Commuting Patterns

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>1990</th>
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<tbody>
<tr>
<td>Central-city-to-central-city commute</td>
<td>18%</td>
<td>25%</td>
</tr>
<tr>
<td>Central-city-to-suburb commute</td>
<td>2%</td>
<td>6%</td>
</tr>
<tr>
<td>Suburb-to-central-city commute</td>
<td>6%</td>
<td>15%</td>
</tr>
<tr>
<td>Suburb-to-suburb commute</td>
<td>10%</td>
<td>40%</td>
</tr>
<tr>
<td>Other patterns (nonmetropolitan areas)</td>
<td>64%</td>
<td>39%</td>
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</table>

The growing dispersion of jobs has also resulted in a large increase in the number of workers who travel outside their county of residence. In 1960, 9 million workers worked outside their county; by 1990, over 27 million did, representing a 206 percent increase, compared with a 78 percent increase in the number of all workers in the United States (DOT, Commuting in America II).

How much of a problem is transportation for welfare recipients?

Given the general patterns just noted, it is not surprising that poor persons, especially African Americans (urban and rural) and central-city residents, may have more difficulty getting to work—to jobs in both the central city and the suburbs—than the average worker. These groups are least likely to own private vehicles, which have become the primary mode of commuting, and, therefore, are most dependent on public transit. Public transit is the slowest mode of transportation, and most metropolitan transit systems were designed for a commuting pattern where jobs in metropolitan areas were concentrated in the central city, and thus are inadequate for today’s continuing growth in suburban employment. In most metropolitan areas, public transportation works well for commutes from the suburbs to the central city, and even usually for within-city commutes during traditional work hours. But commuting from the city to the suburbs using public transportation is much more difficult.

As states are attempting to more aggressively move welfare recipients into jobs, they are identifying transportation as one of the most serious barriers to employment. In Indiana, for example, administrators in nearly all of the 90 county welfare agencies reported to the state that transportation was one of the top five problems in their communities (Indiana IMPACT 1997). And the most recent California state welfare legislation exempts from work activities persons who would have to commute more than two hours a day to and from a job or walk more than two miles (California Department of Social Services 1997).

There is no research, though, that provides empirical data on how many welfare recipients need or use transportation assistance. Obviously, all workers need to get to their jobs (just as all working parents need to make some arrangement for the care of their children when they are at work). But, as with child care, there is little information about whether transportation is a small problem for many welfare recipients, a large problem for many, or a large problem for a small proportion of the population. Some work-welfare evaluations that have asked recipients about barriers to employment suggest that transportation may be a very serious barrier to employment for a small portion of the welfare population. The evaluation of the Massachusetts ET Choices Program, for example, surveyed welfare recipients who had started a job and then stopped working. About 6 percent of them said that transportation was a major reason they stopped working. But of those who were not working, none stated that transportation was a main reason for not working. Transportation may be only one of several problems impeding stable employment. By far the most common single employment problems individuals reported were child care and health conditions (Nightingale et al., 1990).

For those clients who do have transportation problems, though, the issue goes beyond difficulty getting to work. They also have trouble getting to and from training programs, medical appointments, agency appointments, and child care facilities. Additionally, informal reports indicate that many low-income working parents have serious transportation problems if they are at work when an emergency arises with their children. Transportation difficulties may also limit where people look for or consider working. Central-city
residents who lack automobiles may not even seek or apply for jobs in the suburbs. Turner and Hughes (1997) group the main transportation problems in metropolitan areas into three categories:

- Hours of need: There are especially serious problems for persons who work nights and weekends, and for those with nonstandardized work hours.
- Routes: Most existing metropolitan public transit routes are inadequate for reaching the new employment areas in suburbs (both from the inner city and suburb-to-suburb), and are very inadequate for parents who must also drop children off at one or more child care facilities on the way to and from work.
- Time: In many communities, it is very time-consuming to take public transit, especially in combination with child care drop-off and pick-up.

In nonmetropolitan areas, there are different types of problems in large part because there is limited public transit. Lack of reliable private vehicles is often reported as the most serious barrier to employment for low-income persons and welfare recipients in rural areas. Typically, though, public transit providers and systems have not been actively involved with these efforts; they have generally operated within the public welfare or community services networks.

**What are the major public program strategies for addressing transportation problems of workers and work program participants?**

Of course, transportation problems are not a new concern in welfare or job training programs. Since the 1960s, transportation assistance has been an integral supportive service offered to participants in various programs. The most common methods for providing transportation assistance to Aid to Families with Dependent Children recipients have historically included:

1. Disregarding work-related expenses when calculating the monthly benefit amount,
2. Providing allowances (e.g., $30 a month) for work-related expenses,
3. Providing gas vouchers, and
4. Providing bus tokens or other public transportation scrip.

There are no program data on how many persons have used these transportation-related services, but they have been common features of the major programs for decades.

Many WIN, Job Opportunity Bank Service (JOBS), CETA, and Job Training Partnership Act (JTPA) programs also have had some (albeit limited) funds that could be used to pay for one-time-only auto repairs, auto registration, or insurance. In addition, many community-based organizations and community action agencies also operate buses or vans that can transport special populations or be used for special purposes. WIN, JOBS, CETA, and JTPA clients have often used such transportation, and sometimes the costs of the van programs were shared by the various employment programs. (Again, there are no regular program data on the extent to which these program services have been used or the costs of such services.)

In fact, communities and programs have typically used a variety of funding sources to support transportation services and systems for economically disadvantaged persons seeking employment, participating in training or education, or beginning a job:

- AFDC (now Temporary Assistance for Needy Families) and income disregards and supportive service funds
- JTPA supportive service funds;
- Low-Income Heating and Energy Assistance Program (LIHEAP) funds, usually in conjunction with a public housing or community development program;
- Community Development Block Grant (CDBG) funds for social services; and
- Community Services Block Grant (CSBG) funds often through community action agencies.

Even before the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, many states, recognizing the importance of transportation for workers, had already enhanced their transportation assistance policies under AFDC. With federal waivers, several states had raised the AFDC limit to the higher limit or $4,650 allowed under the Food Stamp program. Under TANF, a number of states have raised the asset limit even higher, and a few have decided to totally exclude the value of one vehicle when calculating benefit levels. A few JOBS/welfare programs have also developed policies to help recipients purchase used vehicles—in Annapolis, Maryland, for example, cars taken out of service from the state fleet of vehicles were available for welfare recipients to purchase at low cost, with financing assistance provided through the JOBS program.

The current welfare reform efforts, though, will undoubtedly add greatly to the need for transportation and other services, as many more recipients are expected to be participating in work activities or working in jobs. A recent report by the U.S. Conference of Mayors (1997) presents results of a survey on how cities are implementing the new welfare reform legislation. Responding officials for 84 percent of the 34 cities surveyed indicated that transportation is one of the most serious problems for their TANF and Food Stamps work programs. About three-quarters of the cities indicated that they had plans or programs for addressing the transportation needs of participants. While most of the plans probably represent expanding public program strategies that have been used for many years (e.g., tokens, gas vouchers, allowances), a number of new approaches are of interest:

- Special buses or vans used specifically for transporting work-program participants to new jobs (used in Detroit, and Louisville and being planned in Norfolk) and
- Commuter and reverse-commuting programs for low-income workers, including welfare recipients (e.g.,
There is clearly much more federal attention being focused on the role of public transportation in the employment of welfare recipients than in the past. What are the main outstanding issues?

Bridges to Work Initiatives.

Economic Crossroads Transportation Efficiency Act, which would fund the Access to Jobs and Training program for commuting to jobs.

The importance of transportation to welfare reform has also been highlighted in the proposed National Urban Affairs grants in Milwaukee are being made primarily to allow families to purchase used cars that will be used for commuting to jobs. For example, Kaplan (1997) notes that there may be duplication of effort because many programs provide their own separate transportation services and because coordination is hampered by conflicting regulations and funding restrictions across programs.

What community-based strategies are being developed?

Over the past five years, much more attention than in the past has been given to the need to modify and modernize public transit systems and address the special needs of low-income residents in central cities. The Department of Housing and Urban Development, working with several foundations, has recently initiated the “Bridges to Work” Demonstration in designated neighborhoods in five cities (Baltimore, Chicago, Denver, Milwaukee, and St. Louis); the program includes a targeted “reverse commuting” component as well as job placement and other supportive services to allow low-income inner-city residents to sustain employment in suburban jobs. Bridges to Work does not treat transportation as a stand-alone problem, but rather integrates reverse commuting with other services residents need in order to obtain and retain jobs in the suburbs. An experimental design evaluation is being conducted by Public/Private Ventures to determine the long-term impacts of these comprehensive models. The intent is to encourage innovative community- and neighborhood-based strategies to address the special problems inner-city residents have in accessing and retaining decent jobs that are increasingly located outside the city. The strategies include expanding upon preexisting collaborations as well as initiating new approaches, and include the following (Phillips 1997):

- In Baltimore, vans operated by the Community Action Coalition shuttle low-income residents to work in shifts at key suburban employers.
- Chicago’s Suburban Job-Link Corp. also operates van pools and bus service to key employment areas outside the city. In lieu of monetary compensation, the van driver is given full use of the van on weekends, thus minimizing the operational costs.
- Reverse commuting has, in fact, become particularly attractive in many cities, given the shifting loci of employment in metropolitan areas. In Minneapolis, for example, community-based organizations have teamed up with suburban bus companies to bring city residents to suburban jobs (e.g., in malls, factories, business-office parks). Some cities are making arrangements for nontraditional hours, allowing residents to call and arrange for special pickups and door-to-door service (for a charge).

In conjunction with welfare reform, the Department of Transportation has encouraged such community initiatives in a number of ways, particularly through Federal Transportation Act grants for more community-based planning for transit systems and related services. The Intermodal Surface Transportation Efficiency Act of 1991 required metropolitan planning organizations to develop new planning processes to improve urban/metro transportation systems, including encouraging more coordination with community development and developing neighborhood-based strategies. This includes focusing on the role of transit systems in accessing jobs for low-income inner-city residents. For example, early in 1997, five state and local agencies received pilot planning grants from the Federal Transit Administration to “identify job access problems and develop strategies to solve those problems” (DOT, September 4, 1997):

- Delaware Valley Regional Planning District Commission is developing ways to link welfare clients with jobs across state boundaries in the Pennsylvania and New Jersey labor markets.
- Flint (Michigan) Mass Transit District will transport inner-city residents to jobs in outlying areas.
- Athens (Georgia) Transit will develop a planning process for considering various transportation options.
- San Luis Obispo (California) Area Coordinating Council will modify the public transit and intermodal facilities to better serve workers, child-care centers, and employment centers.
- Alaska Department of Transportation will focus on special issues in rural and small urban communities.

Other states and localities are also expanding their transportation services in cooperation with welfare reform’s employment goals, using a combination of funding sources, such as the TANF block grant, federal DOT grants, foundation grants, and state appropriations. Virginia, for example, is distributing $2.5 million dollars (federal and state funds) in 1997 to 17 communities to fund special transportation efforts for welfare recipients (Lipton 1997). Fairfax County is using the funds to create a comprehensive transportation policy that includes a separate transit system for welfare recipients (four minibuses to transport over 200 recipients to work, child-care facilities, and Metro transit stations daily) as well as offering free taxicab rides for workers with nontraditional hours and helping some clients purchase cars or have essential repairs made to their existing vehicles. Other states are also using portions of their TANF block grant for similar transportation efforts. The McKnight Foundation’s “Family Loans” initiative, operated through community agencies, supports loan programs for low-income families, primarily for economically productive purposes; the Family Service America loans in Milwaukee are being made primarily to allow families to purchase used cars that will be used for commuting to jobs.

The importance of transportation to welfare reform has also been highlighted in the proposed National Economic Crossroads Transportation Efficiency Act, which would fund the Access to Jobs and Training program at a cost of about $600 million over six years, building on the earlier Joblinks, Livable Communities, and Bridges to Work Initiatives.

What are the main outstanding issues?

There is some concern that the transportation assistance efforts that already exist and those that are being developed are not functioning at maximum efficiency. For example, Kaplan (1997) notes that there may be duplication of effort because many programs provide their own separate transportation services and because coordination is hampered by conflicting regulations and funding restrictions across programs.
There is clearly much more federal attention being focused on the role of public transportation in the successful transition of individuals from welfare to work and in the revitalization of inner-city communities. There is also more focused interest in transportation problems in state and local programs serving welfare recipients. While there has been a recognition for over three decades that transportation assistance is a key social service needed by many welfare recipients and other disadvantaged groups, the demand is expected to increase substantially because of welfare reform's focus on moving recipients off the rolls and into permanent employment.

There are currently, though, no empirical data about the extent of that need or the effect transportation services have on an individual's ability to obtain a job, retain a job, or increase earnings over time. This should not be construed to mean, however, that transportation is not important. It is more likely that transportation, like child care, is an essential support service for many welfare recipients, but that transportation (and child care) in and of itself is probably not the main factor determining a successful transition to employment.

Also as the case with child care, there is no reason a priori to expect that transportation assistance provided as a transitional, or temporary, service will help a low-skilled person retain employment permanently. The little research that there is about the effect of transitional child care and Medicaid suggests that once the transitional period is over, the individual patterns of employment revert to what would have occurred without the transitional service. In other words, unless the individual has moved into a high-wage job (a very rare occurrence given the low skill levels of welfare recipients), the need for supportive services is not temporary. If the service was essential to one's ability to obtain and retain a job, then when the transitional period ends, the individual is likely to stop working.

Nonetheless, the current policy initiatives aimed at improving the access to transportation for entire communities makes sense, including, but not limited to, reverse-commuting approaches. Commuting patterns nationwide have changed as employment centers have become more widely geographically distributed in metropolitan areas. Low-income workers have particular difficulty commuting to work because the existing public transit systems are not adequate for the modern employment situation. Ball (1994) suggests a number of metro transit services that should be encouraged to both expand the general use of public transit (recognizing the preference for driving private vehicles) and better serve the population that depends on public transit (e.g., inner-city, low-income residents). Among his suggestions are

- Neighborhood transit services;
- Jitney services;
- Fare strategies and payment methods targeted toward specific markets;
- Employer partnerships with public transit systems;
- Privatization and brokerage;
- Smaller vehicles;
- Transportation demand management strategies;
- Reverse commute services; and
- Intermodal feeder/distributor services.

There are also separate issues relevant to transportation in rural areas. Most of the federal transit funding is targeted at metro areas, and most of the new transportation initiatives are in metro areas. There are few new strategies emerging for rural areas.

The increase in federal funding for metro transit systems and the ability to use the funds more flexibly than in the past also suggest that the transportation sector itself may be a potential source of new types of jobs, especially in metro areas, that may be appropriate for welfare recipients and other low-skilled workers. There is little information to date about the labor market opportunities for welfare recipients in this sector.

Thus, there are new funding sources with which state and local communities can more comprehensively address public transportation systems in general and the special needs of low-income workers in particular. Compared with some other problems welfare recipients face as they leave public assistance (e.g., skills and education deficiencies, lack of jobs in an area), one transportation solution seems fairly straightforward: Increase the resources for individual subsidies (e.g., allowances, vouchers, tokens). Welfare reform funding through the TANF block grant plus the more flexible federal transit funds can also provide core resources and public impetus to move forward more aggressively to modernize public transit policies to improve accessibility for low-wage workers.

Bibliography


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**Other Publications by the Authors**

- Demetra Smith Nightingale

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