# Economic Security In Allegheny County: 2024 Community Needs Assessment



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The Allegheny County Department of Human Services One Smithfield Street Pittsburgh, Pennsylvania 15222

https://analytics.alleghenycounty.us/

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# **EXECUTIVE SUMMARY**

The Allegheny County Department of Human Services (DHS) conducted a needs assessment from May through August 2024. The purpose of the assessment was to understand the needs of individuals and families living in poverty to inform strategies for promoting stability and economic security using Community Service Block Grant (CSBG) funds and other flexible funding across the agency. The assessment, which included collection and analysis of qualitative and quantitative data from community members and service providers, also incorporates data from secondary sources.

# **Key Findings**

- 1. Many respondents identified affordable housing, utilities and food as basic needs they struggle to afford.
- 2. Despite a decrease in the overall poverty rate, there remain deep disparities in poverty by demographic groups. Black people, women with children and people with less than a high school diploma experience poverty at twice to three times Allegheny County's rate.
- 3. Pandemic response policies helped reduce poverty rates to record lows, but now that these policies and related funding are expiring, poverty rates are returning to pre-pandemic levels.
- 4. Full-time employment at a living wage is key to keeping people out of poverty.
- 5. Current wages are insufficient to cover many working families' basic needs expenses.
- 6. Despite a tight labor market defined by more job openings than available workers, people are still encountering barriers to full-time, livable-wage work.
- 7. The number one challenge reported by survey respondents seeking employment was finding job opportunities. Additional barriers to employment include transportation and resumé/application preparation.
- 8. Employed survey respondents reported that transportation and maintaining good mental and physical health care are the most common challenges to keeping a job.
- 9. Strengthening the alignment between skills training and living-wage jobs and expanding affordable educational opportunities may result in more job opportunities for workforce development participants.
- 10. Individuals may be more likely to attend workforce training if it is free, transportation assistance is provided, financial incentives for attendance are offered and/or training hours are flexible and offered at non-traditional times.
- 11. The percentage of individuals who receive Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) benefits has increased, as has the percentage of those who participate in Partner4Work (P4W) workforce programs designed for SNAP and TANF beneficiaries. Data on these workforce programs show that participants obtain jobs that pay more than poverty wages but less than a living wage; this suggests continued difficulty in connecting participants to living-wage jobs.
- 12. Workforce participant engagement for those receiving SNAP and TANF (i.e., those with low income, for whom relevant data are available) increased from 2021 to 2022, possibly explained by COVID-related participation extensions. The demand for job readiness/training programs among this population, particularly for SNAP recipients who are female and Black, is expected to increase further as SNAP work requirement waivers expire in 2025.

# BACKGROUND

Individuals and families living in poverty encounter a variety of challenges that impact their progress toward stability and economic security, including difficulty accessing employment, job training, transportation, housing and childcare. Recognizing the relationship between poverty and other human service needs, DHS seeks opportunities to improve the economic security of individuals and families wherever we can. This includes strategic management of Community Services Block Grant (CSBG) funding and collaboration with key partners to advance initiatives that alleviate poverty.

#### **CSBG Standards and Requirements**

CSBG was created in 1981 and reauthorized in 1998; its mission/purpose is to identify individual and community needs that promote self-sufficiency, family stability and community revitalization. Its funds, which are used to address a wide range of needs and to alleviate the causes and conditions of poverty, are provided to Community Action Agencies (CAA) across the country that work in partnership with other community-based organizations to leverage other funds and resources.

The Allegheny County Department of Human Services (DHS) is the CAA for Allegheny County, excluding the City of Pittsburgh. A team of individuals and agencies, including DHS staff, contracted agencies, the Community Services Advisory Council (CSAC)<sup>1</sup> and community partnerships, contributes to the success of CSBG programming in Allegheny County. In January 2015, the federal Office of Community Services released a set of 50 standards designed to ensure that CSBG-funded entities effectively serve families and communities. The standards are divided into three thematic categories: maximum feasible participation, vision and direction, and operations and accountability. Six of these standards, detailed in **Figure 1**, require CSBG entities to engage in a community needs assessment. From May through August 2024, DHS staff and other CSBG stakeholders engaged in an extensive assessment to comply with these standards.

<sup>1</sup> The CSAC is comprised of fifteen (15) members who are residents of Allegheny County. Per CSBG legislation, membership is comprised of one-third members to be appointed by the County Executive; one-third members who have been nominated and approved by the CSAC and who represent the interests of low-income people; and one-third members who have been nominated and approved by the CSAC and who represent service providers, business, education, housing, employment and health care and who have an interest in helping low-income people become more self-sufficient. For a list of CSAC members, see **Appendix A**.

#### page 5

# FIGURE 1: Selected Needs Assessment Standards for CSBG Entities

Standard 2.2	Department utilizes information gathered from key sectors of the community in assessing needs and resources. This would include at a minimum community-based organizations, faith-based organizations, private sector, public sector, and educational institutions.
Standard 3.1	Department conducted an assessment and issued a report within the last 3 years.
Standard 3.2	Department collects and includes current data specific to poverty and its prevalence related to gender, age, and race/ethnicity for the service areas in the community assessment.
Standard 3.3	Department collects and analyzes both qualitative and quantitative data on its geographic service area in the community assessment.
Standard 3.4	Community assessment includes key findings on the causes and conditions of poverty and the needs of the communities assessed.
Standard 3.5	Tripartite board/advisory body formally accepts the completed community assessment.

# **METHODOLOGY**

DHS assembled a steering committee and project team to create, conduct and oversee the community assessment. Members represent three DHS Offices and its Self-Sufficiency program.

- Office of Community Services leadership and representatives from Self-Sufficiency
- Office of Analytics, Technology and Planning representatives from the Analytics, Planning and Client Experience teams
- Office of Equity and Engagement

With input from this steering committee, DHS engaged in primary and secondary data collection activities focused on understanding needs and barriers related to economic security and employment. Because full-time employment is key to keeping people out of poverty and because the <u>2021 Community Needs Assessment</u> (CNA) highlighted the fact that unemployed survey respondents were interested in working but faced barriers to employment, we included a focus on employment readiness and training issues in this report.

# **Primary Data Collection**

The assessment includes the collection and analysis of qualitative data (e.g., open-ended survey questions) and quantitative data (e.g., demographics, mapping and surveys). **Table 1** summarizes data collection approaches by stakeholder group. Because most participants in the needs assessment participated under the condition of anonymity (other than the list of CSAC members in **Appendix A**), we provide only the number of participants in each group.

GROUP	DESCRIPTION OF GROUP	METHOD	# OF PARTICIPANTS
Individual Survey Respondents	• Residents of Allegheny County For summary statistics describing participants, see <b>Table 2</b> and <b>Figure 2</b> .	Web Survey	378
Social Service and Workforce Providers	<ul> <li>Community based organizations</li> <li>Faith-based organizations</li> <li>Private &amp; public sector and educational institutions</li> <li>Service providers of job search and placement assistance, career counseling and training</li> </ul>	Web survey	26
Community Services Advisory Council (CSAC)	<ul> <li>Representatives of community- based organizations</li> <li>Faith-based organizations</li> <li>Private sector</li> <li>Public sector</li> <li>Educational institutions</li> <li>Service recipients</li> <li>See Appendix A to learn more about the CSAC.</li> </ul>	Web Survey and Advisory Meeting	48

## TABLE 1: Methodology Summary

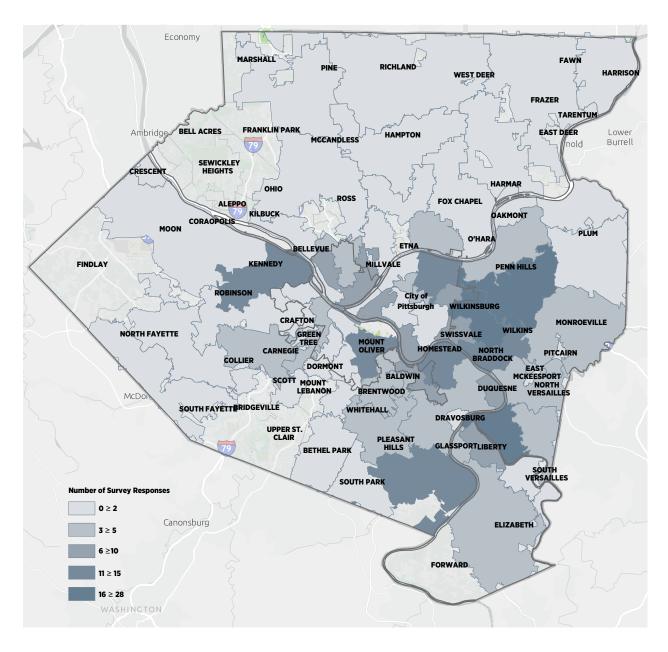
DHS conducted two surveys, one to learn about individual respondents' basic needs, barriers to financial security and financial goals, and the second to learn from community organizations and workforce providers about trends and barriers to providing services. A list of survey questions for individuals can be found in **Appendix B**. The second survey included input from 12 different community organizations and workforce development providers, who were also asked to react to some preliminary findings from the individual surveys. Workforce provider/community organization survey questions can be found in **Appendix C**. Survey themes can be found in **Appendix D**.

The web-based surveys could be accessed via a link, QR code, or in paper form. DHS distributed the survey using a wide variety of methods, including flyers, emails and in-person events. Organizations were selected to conduct survey outreach if they serve low-income populations (e.g., food banks) or are contracted to provide DHS's Self-Sufficiency program. Over a dozen organizations were contacted to distribute the survey to clients served and eight in-person events were attended by DHS staff to facilitate online and paper survey distribution. The survey was open for four weeks, from July 22 through August 16, 2024; 378 individuals completed the survey. Black and female residents and residents with a disability were represented in the survey at higher rates than the Allegheny County population. Survey participants were thanked for their participation with \$15 gift cards.

# **TABLE 2: Respondent Demographics**

TOTAL RESPONDENTS	378
Working Age Respondents (18 through 64)	335
Race Provided	375
White	41%
Black	50%
Multi-racial	3%
Native Hawaiian/Pacific Islander	1%
American Indian / Alaska Native	2%
Asian	1%
Prefer to self-describe	2%
Ethnicity Provided	375
Not Hispanic	96%
Hispanic or Latinx origin	4%
Age Provided	376
18 through 24	9%
25 through 34	26%
35 through 44	28%
45 through 54	13%
55 through 64	13%
65+	11%
Disability Status Provided	366
No disability	72%
Disability	28%
Gender Provided	375
Male	29%
Female	69%
Genderqueer/ not exclusively male or female	1%
Prefer not to say	1%
Number of Children in Household Provided	229
1	47%
2	28%
3	14%
4	8%
5	2%
6+	3%

The survey did not cover every zip code within Allegheny County, but as shown in **Figure 2**, respondents resided throughout the County. The top three zip codes, accounting for 20% of all survey responses, represented Penn Hills, Churchill, Wilkinsburg, Wilkins Township, Forest Hills, Braddock and McKeesport.



# FIGURE 2: Count of Survey Respondents by Zip Code

#### **Secondary Data Collection**

Members of DHS's Analytics and Planning teams conducted secondary data collection using data from the American Community Survey (ACS) five-year estimates, from the Allegheny County Office of the Medical Examiner (OME), and from Unemployment Insurance (UI) earnings data from the Pennsylvania Department of Labor and Industry (DLI).<sup>2</sup> For this update, we refer to levels of need by census tract from the most recent <u>Community Need Index (CNI)</u>; level of need is determined using the percentage of families living below poverty, unemployment rates and detachment from the labor force, educational achievement, internet access, homicide rates and overdose rates. <u>Allegheny County Client Employment and Earnings Report</u> data were also incorporated to examine DHS client employment rates and earnings.

# **FINDINGS**

# **Allegheny County Population and Demographics**

Allegheny County is home to over 1.2 million residents. The County's population increased by roughly 1.3% from 2017 through 2022, adding more than 15,700 people. More recently, however, Allegheny County has experienced a significant decrease in population, putting it among the top 10 counties in the United States with the largest decline.<sup>3</sup> According to the 2022 census, Allegheny County lost 12,192 people from 2021 to 2022.<sup>4</sup>

From 2017 through 2022, Allegheny County also became more diverse, with an increase in the Hispanic population of more than 20% and in the Asian population of 17%. At the same time, the White population decreased by almost 19,000 people (2%) and the Black population by less than 1%.

Allegheny County's aging population is also growing. While the 16+ population increased overall by less than 2%, the increase was largely driven by a 12% increase in the 65+ population; all other 16+ populations experienced a decline. The only other population increase was seen in the 5-through-17 age group. A demographic profile of Allegheny County appears in **Table 3**.

<sup>2</sup> Unless otherwise specified in the report, we used data from the 2017 and 2022 5-Year American Community Survey (ACS) estimates. "Growth in the Nation's Largest Counties Rebounds in 2022," United States Census Bureau, Table 4, March 30, 2023, <u>https://www.census.gov/newsroom/press-releases/2023/population-estimates-counties.html.</u> "Growth in the Nation's Largest Counties Rebounds in 2022," United States Census Bureau, Table 4, March 30, 2023, <u>https:// www.census.gov/newsroom/press-</u> <u>releases/2023/population-estimates-</u> <u>counties.html.</u>

TOTAL POP	ULATION 1,245,310
opulation for whom poverty status is determined	1,211,962
Under 50% (less than \$11,515 /year for a family of 3) <sup>5</sup>	6%
50% to 99% (less than \$23,030 / year for a family of 3)	5%
100% to 124% (less than \$28,788/ year for a family of 3)	3%
125% to 149% (less than \$ 34,545/year for a family of 3)	3%
150% to 184% (less than \$42,606/ year for a family of 3)	5%
185% to 199% (less than \$46,060/ year for a family of 3)	2%
200% and over (more than \$46,060/ year for a family of 3)	75%
otal Population by Age	
Population 16 and over	83%
Under 5 years	5%
5 to 17 years	14%
18 to 34 years	23%
35 to 64 years	39%
65 years and over	19%
otal Population by Race and Hispanic or Latino Origin	
White	78%
Black or African American	13%
American Indian and Alaska Native	0%
Asian	4%
Native Hawaiian and Other Pacific Islander	0%
Some other race	1%
Two or more races	4%
Hispanic or Latino origin (of any race)	2%

# TABLE 3: Allegheny County Population and Demographics (2022 ACS 5-Year Estimates)

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<sup>5</sup> U.S. Department of Health and Human Services, https://aspe.hhs.gov/sites/default/ files/documents/4b515876c4674466423975 826ac57583/Guidelines-2022.pdf.

	TOTAL POPULATION	1,245,310
Language spoken at home		
Speak only English		92%
Speak a language other than English		8%
Non-Institutionalized Population with a Disability		13.7%
Total Population by Sex		
Male		49%
Female		51%
Work Experience (population 16 through 64 years)		775,317
Worked full-time, year-round in the past 12 months		56%
Worked part-time or part-year in the past 12 month	IS	25%
Did not work		19%
Population 25 through 64 years		660,256
Education:		
Less than high school graduate		4%
High School graduate (or equivalency)		21%
Some college or associate's degree		26%
Bachelor's degree or higher		48%
Households		545,637
Female Householder, no spouse present (16+)		121,373
Females with own children under 6 years only		7%
Females with own children 6 to 17 years only		26%
Females with own children under 6 years and 6 to 1	17 years	6%
Female with no children		62%

Source: ACS 2022 5-Year Estimates Tables S1701 S1501 S1703 DP03 and Public Use Microdata

#### **Indicators of Economic Security**

## **Poverty Rate in Allegheny County**

Allegheny County's poverty rate decreased from 12.5% in 2017 to 11.1% in 2022.<sup>6</sup> In comparison, Pennsylvania's poverty rate decreased from 13.1% to 11.8% during the same period. While Hamilton County (Cincinnati, Ohio),<sup>7</sup> Philadelphia County and other similar-sized counties had a larger relative decline in poverty rates, they also have a higher percentage of people living in poverty. Philadelphia's 2022 poverty rate of 22.7% is double Allegheny County's. Hamilton County's rate of 14.9% is also higher.

6 The 2022 Federal Poverty Level (FPL) for one person under 65 is \$14,880; it is \$23,578 for a family of three, including two children under the age of 18. 7 Hamilton County in Ohio was chosen for comparison because of its similarities to Allegheny County in population, industry and geographic location. Despite the decrease in overall poverty rate, there remain deep disparities in poverty by demographic group. At 33%, female householders with children under 18 have one of the highest poverty rates in the County. Black residents and those with less than a high school diploma or equivalent also have a higher than County average poverty rate of 27%. This is consistent with the report Pittsburgh's Inequality Across Gender and Race, which finds that Pittsburgh's Black women are five times more likely to live in poverty than White men.<sup>8</sup>

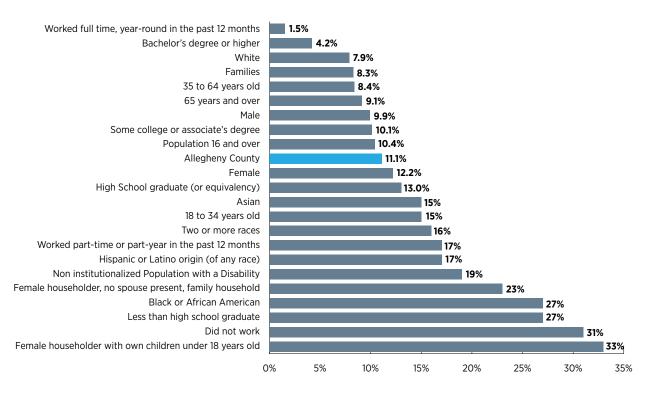
We see the lowest poverty rate (1.5%) among people working full time. Alternatively, people who only worked part time had a poverty rate of 17% and those who did not work at all had a poverty rate of 31%. This suggests that full-time employment at a living wage plays an important role in keeping people out of poverty.

Pandemic relief programs including the expanded Child Tax Credit (CTC), stimulus payments and other efforts spurred a decrease in poverty rates.<sup>9</sup> The expiration of these policies coincides with poverty rates returning to pre-pandemic levels. In 2021, the expanded CTC helped reduce child poverty to a record low of 5.2% nationally; if the CTC had still been in place in 2022, three million fewer children would have been living in poverty.<sup>10</sup>

In Allegheny County, the 2023 poverty rate (using ACS one-year estimate) was 11.7%, an increase of over 3,000 people from the 2022 one-year estimate. The federal government's pandemic response turned a potential poverty surge into a record poverty decline, but as pandemic response policies end, poverty rates are returning to pre-pandemic levels.

- Howell, Junia, Sara Goodkind, Leah Jacobs, Dominique Branson and Elizabeth Miller.
   2019. "Pittsburgh's Inequality across Gender and Race." Gender Analysis White Papers. City of Pittsburgh's Gender Equity Commission.
- 9 Danilo Trisi, "Government's Pandemic Response Turned a Would-Be Poverty Surge Into a Record Poverty Decline," Center on Budget and Policy Priorities, August 29, 2023, <u>https://www.cbpp.org/research/ poverty-and-inequality/governmentspandemic-response-turned-a-would-bepoverty-surge-into.</u> The Emergency Rental Assistance Program reduction in funding and ending of the eviction moratorium have also coincided with a return to pre-pandemic eviction filings. Trends in eviction filings, Eviction Lab, <u>https://evictionlab.org/</u> eviction-tracking/pittsburgh-pa/.
- 10 "The Anti-Poverty and Income-Boosting Impacts of the Enhanced CTC," The White House, <u>https://www.whitehouse.gov/cea/</u> written-materials/2023/11/20/the-antipoverty-and-income-boosting-impacts-ofthe-enhanced-ctc/.

# FIGURE 3: Poverty Rates at 100% Federal Poverty Level, by Group, Allegheny County 2022



Source: ACS 2022 5-Year Estimates Tables S1701 S1501 S1703 DP03 and Public Use Microdata

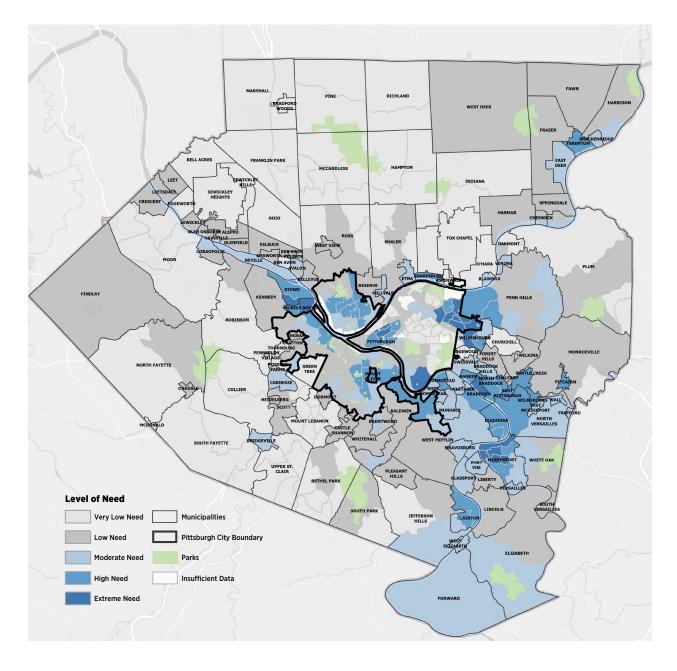
#### **Geographic Distribution of Need within Allegheny County**

The updated Community Needs Index (CNI), a measure of need that captures poverty rates, education, employment, internet access, household size, fatal overdoses and homicide rates, shows that need is concentrated in specific neighborhoods of the City of Pittsburgh (Hill District, South Hilltop, parts of the West End, Upper East End neighborhoods and Upper Northside) as well as in municipalities outside the City of Pittsburgh (Mon Valley, sections of the Allegheny River Valley including Sharpsburg and Tarentum, sections of Penn Hills, sections of Wilkinsburg and Stowe Township -McKees Rocks).<sup>11</sup> With few exceptions, census tract-level community needs are persistent over time.

There are vast discrepancies between the lowest-need communities, which have an average poverty rate of 2%, and the highest-need communities, in which the average poverty rate is 38%. Poor Black and Latino families are more likely than other poor families to live in higher-need communities, even when their poverty status is not consistent with the community's level of need. Black families above the poverty line are many times more likely than their Asian, White and Latino peers above the poverty line to live in higher-need communities.

While each community in Allegheny County has its own unique history, the concentration of need tends to result from structural racism, structural classism and deindustrialization. Neighborhood need is in part a reflection of decades of discriminatory housing, lending and land use policy; suburbanization and White flight from central cities following World War Two; and outmigration and the concentration of poverty resulting from deindustrialization.<sup>12</sup>

11 The Community Need Index measures need by census tract using the percent of families living below the FPL, percent of males 20 through 64 who are unemployed, percent of individuals without a bachelor's degree or more, percent of single parent households, percent of households without internet access, average homicide rate and average overdose rate. "The Allegheny County Community Need Index: Update for 2024 with a Focus on the Connection between Race, Class and Community Needs," The Allegheny County Department of Human Services, May 2024, <u>https://www.</u> alleghenycountyanalytics.us/2024/05/31/ allegheny-county-community-need-index/. 12 "Community Need Index Update, 2024," ACDHS, May 2024, page 4, <u>https://www.</u> alleghenycountyanalytics.us/wp-content/ uploads/2021/05/24-ACDHS-05-CNI-<u>Report\_v2.pdf.</u>



# FIGURE 4: High- and Extreme-Need Allegheny County Census Tracts, 2022 Five-Year Estimates

Source: Community Needs Index, 2024 Report.

#### **Labor Force Participation**

The labor force participation rate is defined as the percent of employed (working) or unemployed (not working but actively looking for work) people in the labor force (people 16 and older, not including people in the military, incarcerated, or in nursing homes).<sup>13</sup> This statistic is important because it helps describe economic trends and how different demographics appear in the labor force. For example, even during periods of economic expansions, persistent differences in labor force participation remain, highlighting structural barriers that make it more difficult for vulnerable groups to search for a job, receive and accept an offer and hold a job, regardless of ability.<sup>14</sup> A higher labor force participation rate indicates a strong labor market and can help employers meet demand for workers, but challenges to participation remain correlated with race, ethnicity, gender, age and geography, attributes not associated with performance or productivity.

Allegheny County's labor force participation rate was 65% in 2022, which is slightly higher than both Pennsylvania's rate of 63% and the national rate of 64%. However, only 46% of people with incomes below the poverty line are connected to the labor force (Figure 5). Labor force participation rates are higher for males (85%) than for females (78%), for White individuals (65%) than for Black individuals (63%), and for women without children under six (78%) than for those with children under 6 years old (74%), confirming that different groups interact differently with the labor force. Research shows that structural barriers to labor force participation include access to childcare, labor force discrimination, access to transportation and the potential of being cut off from income-based public assistance, all of which can discourage people from looking for employment and thus lower labor force participation rates.<sup>15</sup>

- 13 Labor Force Statistics from the Current Population Survey, Concepts and Definitions (SP) U.S. Bureau of Labor Statistics, <u>https://www.bls.gov/cps/definitions.</u> <u>htm#population.</u>
- 14 William M. Rodgers III, Nishesh Chalise, "Barriers to Participation in the Labor Force: A Primer," Federal Reserve Bank of St. Louis, May 24, 2023, <u>https://www.stlouisfed.org/</u> <u>publications/bridges/2023/vol2/primer-barriers-participation-labor-force.</u>

Kaitlyn Hoevelmann, "The Labor Force Participation Rate, Explained," Federal Reserve Bank of St. Louis, May 5, 2023, Researchers have also found decreasing LFPRs due to an aging workforce as the baby boomer generation retires and as more people purse higher education and delay entry into the workforce https://www. stlouisfed.org/open-vault/2020/august/ labor-force-participation-rate-explained.

15 William M. Rodgers III, Nishesh Chalise, "Barriers to Participation in the Labor Force: A Primer," Federal Reserve Bank of St. Louis, May 24, 2023, https://www.stlouisfed.org/ publications/bridges/2023/vol2/primerbarriers-participation-labor-force.

#### 85% Male Female 78% Female with own children under 6 years only 74% High School graduate (or equivalency) 72% Asian 66% White 65% Allegheny County (16 and over) 65% Black or African American 63% Less than high school graduate 55% People with a Disability 49% Under 100% of the poverty line 46% 0% 20% 40% 60% 80% 100%

# FIGURE 5: Labor Force Participation Rates, by Group, Allegheny County, 2022

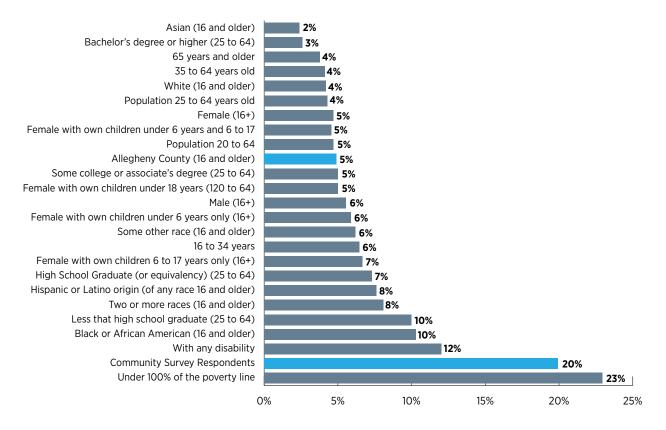
Source: ACS 2022 5-Year Estimates S2301 S1701 S2301 and Public Use Microdata

# **Unemployment in Allegheny County**

The unemployment rate is a useful economic indicator because it measures the share of people in the labor force who are unemployed (jobless, actively looking work and available for work). Allegheny County's unemployment rate decreased a full percentage point over five years (2017 to 2022), from 5.9% to 4.9%. U.S. and Pennsylvania unemployment rates are slightly higher at 5.4% and 5.3%, respectively.

Although Allegheny County's unemployment rate is below national and state levels, unemployment rate differences by race, age, education and disability status continue to persist. The unemployment rate for people earning less than 100% of the Federal Poverty Level (FPL) was highest, at 22%, which is more than four times the County average.

# FIGURE 6: Unemployment Rates by Group, 2022 5-Year Estimates



Source: ACS 2022 5-Year Estimates S2301 S1701 S2301 and Public Use Microdata

More recent unemployment data point to a tight labor market characterized by more job openings than workers to fill them. In July 2024, the employment rate in Allegheny County was near record lows at 3.9% or 25,200 people.<sup>16</sup> In the same month, there were 35,980 job postings.<sup>17</sup> A potential benefit of the tight labor market is that job seekers may be able to find work more easily and earn higher wages.

16 U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics(LAUS), Allegheny County Unemployment Rate, <u>https://data. bls.gov/dataViewer/view/timeseries/ LAUCN4200300000003https://data.bls. gov/dataViewer/view/timeseries/ LAUCN42003000000003, Federal</u> Reserve Bank of St. Louis (FRED), Unemployed Persons in Allegheny County FRED, https://fred.stlouisfed.org/series/ LAUCN420030000000004, Federal Reserve Bank of St. Louis (FRED), Allegheny County Unemployment Rate, https://fred. stlouisfed.org/series/PAALLE3URN. 17 "Allegheny County Profile," Pennsylvania Department of Labor and Industry Center for Workforce Information & Analysis, <u>https:// www.workstats.dli.pa.gov/Documents/ County%20Profiles/Allegheny%20County. pdf.</u> A tight labor market suggests more opportunities for employment, but companies still have power to offer lower wages and utilize discriminatory hiring practices. Persistent racial disparities in employment and wages may be evidence of discrimination that disproportionally disadvantages Black and Brown workers.<sup>18</sup>

Discrimination can appear in hiring practices and present obstacles for Black candidates. Numerous studies prove that racial discrimination impacts employment outcomes. One well-known 2004 study, in which fake job applications were sent to employers to test for racial bias in the job market, found that White names received 50% more callbacks from an interview,<sup>19</sup> meaning that if a White applicant must apply to 20 jobs to get a callback, an applicant of color would have to apply to 30 jobs. Systemic racism, discrimination and structural barriers must be discussed in any analysis of Allegheny County's workforce participation, earnings and unemployment rates.

**DHS Clients and Employment.** Understanding DHS clients' workforce experience is also important because DHS clients tend to be low-income and to have human service needs. A 2022 report analyzing DHS clients' quarterly earnings from 2019 through 2020 found that "working-age clients had extremely low employment rates (between 34% and 38%) and median quarterly earnings of around \$4,000 before the onset of COVID-19." Although employment rates may be lower due to the inclusion of people not in the labor force, the findings from this report suggest that human service needs addressed by DHS are associated with difficulty in maintaining employment and lack of financial stability.

Source: "The Effect of COVID-19 on Allegheny County Department of Human Services Client Employment and Earnings," February 2022, Allegheny County DHS, https://www.alleghenycountyanalytics.us/wp-content/uploads/2022/02/22-ACDHS-01-CovidEffectEarnings\_v3.pdf.

A closer look at individual survey responses offers additional insight into employment barriers. Respondents' labor force participation rate of 80% is higher than the County's (65%) (**Figure 5**) but that still means that they had an unemployment rate of 20%, four times the County average. This indicates that finding employment continues to be a challenge.

18 Valerie Wilson, William Darity Jr. "Understanding black-white disparities in labor market outcomes requires models that account for persistent discrimination and unequal bargaining power," Economic Policy Institute, March 25, 2022, <u>https:// www.epi.org/unequalpower/publications/ understanding-black-white-disparities-inlabor-market-outcomes/.</u>  Marrianne Bertrand, Sendhil Mullainathan, "Are Emily and Greg more Employable Than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination," American Economic Review, September 2004, <u>https:// www.aeaweb.org/articles?</u> id=10.1257/0002828042002561. Thirty-eight percent of community respondents who are unemployed (not working but looking for work) indicated that finding job opportunities was the biggest challenge. Paying for transportation to a potential job was the next most cited barrier (30%) and access to reliable transportation was third (26%). A staff member from the Allegheny County Financial Empowerment Center echoed this challenge, saying "Clients struggle getting employed. Even though 'everyone' says they are hiring, clients are finding that is not true."

As another provider stated, there is a "mismatch of jobs open vs. skills of the applicants we assist." This problem suggests that improving the alignment between skills training offered by workforce programs and available local living-wage jobs, as well as expanding other affordable educational opportunities (along with transportation assistance), may result in better connections to living-wage jobs.

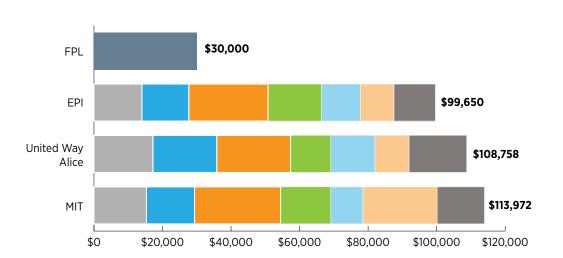
A bright spot of the community survey data is that most people (61%) who are employed full time do not have difficulty maintaining that employment. For those who did indicate some level of difficulty in maintaining employment, the primary challenges were maintaining mental health (29%), maintaining physical health (26%) and getting to work (26%). Notably, transportation to work is a common barrier to both finding and maintaining employment.

# **Cost of Living and Meeting Basic Needs**

Financial stability consists not only having a source of income, but having a level of income that can cover the cost of a family's minimum basic needs. Cost of living includes housing, childcare, food, transportation, health care, technology/other necessities and taxes. In Allegheny County, wages are not keeping pace with the cost of living. The number of households earning less than a living wage increased 14 percentage points from 27% in 2017 to 41% in 2022.<sup>20</sup> However, recent post-pandemic economic recovery data point to lower-income individuals experiencing strong wage gains.<sup>21</sup> In Pennsylvania, "workers in the bottom 30% of the earnings distribution saw the higher percent wage gains from 2013 to 2023."<sup>22</sup> It is important to note that analyses reliant on the FPL as an indicator of economic insecurity underestimate true needs. **Figure 7** demonstrates that the FPL in 2023 of \$30,000 for a family of four is \$70,000 short of being able to meet a family's basic needs.<sup>23</sup>

20 2017 data found at "ALICE in Each PA County," United Way of Pennsylvania, Page 3, https://www.uwp.org/wp-content/ uploads/ALICE-In-Each-PA-County.pdf, 2022 data found at https://www.uwp.org/ wp-content/uploads/County\_ALICE\_PDFs/ Allegheny%20County%20ALICE%20 County%20Fact%20Sheet%20Final.pdf. 21 Nationally, workers in lower-wage occupations and industries and those with lower earnings saw larger gains since 2019. Chloe Ease, Wendy Edelberg and Noadia Steinmetz-Silber, "Have Workers gotten a raise?," Brookings Institute, https://www. brookings.edu/articles/have-workersgotten-a-raise/#conclusion.

- 22 Claire Kovach, Maisum Murtaza, Stephen Herzenberg, 2024 State of Working Pennsylvania, Keystone Research Center, Page 15, <u>https://keystoneresearch.org/</u> wp-content/uploads/KRC\_SWPA\_2024\_1.pdf.
- 23 "Annual Update of the HHS Poverty Guidelines," Federal Register Department of Health and Human Services, January 1, 2023, https://www.federalregister.gov/ documents/2023/01/19/2023-00885/ annual-update-of-the-hhs-povertyguidelines.



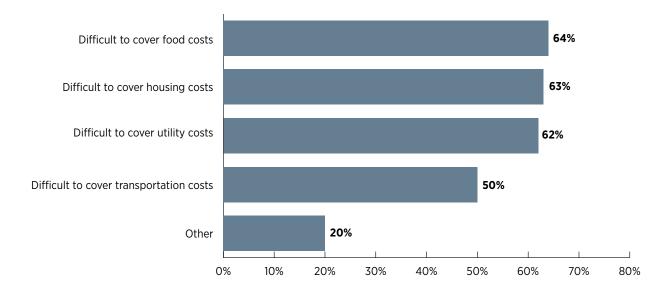
# FIGURE 7: Federal Poverty Level for a Family of 4 Compared to Cost of Living in Allegheny County

■ Housing ■ Food ■ Childcare ■ Transportation ■ Health Care ■ Other Necessities ■ Taxes

Sources: Massachusetts Institute of Technology (MIT) Living Wage Calculator for Allegheny County (2024), United Way ALICE Household Survival Budget for Allegheny County (inflation adjusted to 2023), Economic Policy Institute (EPI) Family Budget Calculator (2023), The Department of Health a Human Serivces Poverty Guidelines

To understand their experience, survey respondents were asked how satisfied they were with their ability to cover basic needs and expenses over the past year. Over half (55%) indicated that they were extremely dissatisfied or somewhat dissatisfied. **Figure 8** illustrates the reasons for respondents' dissatisfaction.





Source: 2024 Community Needs Assessment Survey Data

# **Food Costs**

Difficulty covering food costs was the number one reason (64%) respondents reported dissatisfaction with their ability to cover everyday expenses. Additionally, over half of respondents (54%) said they did not buy the kind of food they wanted to eat because they could not afford the expense. According to the Consumer Price Index (CPI), which measures economy-wide inflation, "in 2022, food prices increased by 9.9%, faster than in any year since 1979."<sup>24</sup> Economists point to wage growth outpacing grocery store prices as a silver lining, as food prices are increasing at a slower rate (in 2023, food prices increased by 5.8%; they are predicted to increase by 2.3% in 2024).<sup>25</sup> However, "compared to four years ago, grocery store prices are up about 20 percent," and not everyone has seen their wages keep pace.<sup>26</sup> Interestingly, only 9% of respondents indicated that they received public benefits (such as SNAP, which can help cover the cost of food) as a source of income. Seventy-four percent of individual survey takers would qualify for SNAP, based on household income alone, although other eligibility criteria like asset limits may prevent people from being eligible.<sup>27</sup> This approximation of need suggests that many more people could take advantage of SNAP than are currently enrolled.

Sixty-eight percent of community organizations and workforce providers surveyed indicated that they provide food assistance to clients primarily through referrals to food pantries and other providers. As one provider indicated, this reliance on referrals may be due to the "significant work to receive the food, store the food, monitor the food expiration dates and maintain food safety, followed by the manpower required for distribution."

#### **Housing Costs**

Inability to cover housing costs was the second most common reason for dissatisfaction. Fifty-six percent of surveyed providers indicated that housing was the most challenging need for clients. Workforce providers and community organizations cited the shortage of affordable housing units and a lack of resources to help low-income individuals access affordable housing.

The recent All in Allegheny survey also indicated that housing remains a concern for many Allegheny County residents.<sup>28</sup> Forty-three percent of All In Allegheny survey respondents said the County should be renovating existing buildings to create more affordable housing for middle- and low-income residents and families.<sup>29</sup> The <u>500 in 500 initiative</u> launched by Allegheny County, which is attempting to bring on 500 affordable housing units in 500 days, is designed to address this problem.

- 24 Summary Findings: Food Price Outlook, 2024 and 2025," U.S. Department of Agriculture's Economic Research Service, Updated August 23, 2024, <u>https://www.ers. usda.gov/data-products/food-priceoutlook/summary-findings/.</u>
- 25 Summary Findings: Food Price Outlook, 2024 and 2025," U.S. Department of Agriculture's Economic Research Service, Updated August 23, 2024, <u>https://www.ers.</u> <u>usda.gov/data-products/food-priceoutlook/summary-findings/.</u>
- 26 "How Food Prices Have Changed Over the Past Four Years," Madeleine Ngo, The New York Times, August 13, 2024, <u>https:// www.nytimes.com/2024/08/13/business/</u> economy/inflation-food-prices.html.
- 27 Other differences in how community members interpret the questions may contribute to an underreporting of receiving SNAP. The survey asked broadly if respondents receive public benefits and not SNAP specifically.
- 28 The All-In Allegheny Survey was conducted between November 2023 and April 2024,

covering a variety of topics including housing, economic and community development and education, workforce and youth development. <u>https://www.</u> <u>alleghenycounty.us/Government/</u> <u>Departments-and-Offices/County-</u> <u>Executive/All-In-Allegheny-Action-Plan.</u>

- 29 All In Allegheny Dashboard, Allegheny County, <u>https://www.alleghenycounty.us/</u> <u>Government/Departments-and-Offices/</u> <u>County-Executive/All-In-Allegheny-Action-</u> <u>Plan.</u>
- 30 Allegheny County 500 in 500, https://500in500.alleghenycounty.us/.

#### **Utility Costs**

Respondents identified utility costs as the third most common reason (62%) for dissatisfaction with their ability to cover basic needs. However, providers said utility assistance is one of the least challenging services to provide to clients; this suggests that these organizations may be well prepared to fill this need.

#### **Transportation Costs**

Respondents indicated that transportation costs also contribute to their dissatisfaction with their ability to cover basic needs. Survey takers said they delayed or did not secure transportation because they were not able to afford it. Workforce development providers and community organizations identified transportation as a challenge because it is not accessible to everyone; they also reported that more routes are needed in their service areas so that people can access their programs. One provider noted that "Transportation determines what opportunities would be available to a person. Most jobs are not on the bus line. For those jobs on the bus line, the transit schedule does not always correspond to the work schedules that are available." Transportation was also identified by survey respondents as the top barrier to maintaining a job. DHS's discount fare program offering 50% reduced fares for SNAP recipients is one way the County is reducing transportation costs. Transportation assistance funded by CSBG has seen increased enrollment in 2024 for eligible families, largely due to the expansion in Mon Valley communities. Most costs covered through this program are related to vehicle maintenance to help people get to their jobs.

## Earnings

The median income in Allegheny County is \$72,537, but there are persistent racial and gender disparities impacting income. Black people earned almost half (\$39,269) that of White people, and female householders with a child under 18 had the lowest median earnings of all demographic groups at \$35,463.<sup>31</sup> Although median earnings for female householders with children are higher than the FPL, their incomes fall 30% short of a living wage (\$49,572) for a two person household including one child.<sup>32</sup> Pittsburgh's Gender Equity Commission report highlights this difference, finding that White women make 78 cents to every dollar made by Pittsburgh's White men and Black women make only 54 cents to the dollar.<sup>33</sup>

Survey responses also reflect the need for higher earnings. Thirty-five percent of employed working-age survey respondents reported that finding new employment now is very or extremely important and 75% cited better pay as the reason. This can be partially explained by low wages; 40% of surveyed households with four or more people had a household income less than the FPL. For households with at least two children, 36% had incomes below \$20,000, which is also below the FPL.<sup>34</sup>

- 31 United States Census Bureau, Table S1903 https://data.census.gov/table/ ACSST5Y2022.S1903?q=median%20 income%20in%20allegheny%20county.
- 32 United Way ALICE, Household survival budget for one adult and one child. <u>https://</u> <u>unitedforalice.org/county-reports/</u> <u>pennsylvania</u>.

33 Howell, Junia, Sara Goodkind, Leah Jacobs, Dominique Branson and Elizabeth Miller. 2019. "Pittsburgh's Inequality across Gender and Race." Gender Analysis White Papers, City of Pittsburgh's Gender Equity Commission. https://pittsburghpa.gov/gec/ reports-policy. 34 The 2024 Federal Poverty Level for a family of 3 is \$25,820, Poverty Guidelines, <u>https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines</u>. A focused analysis of DHS clients provides insights on the intersection of human services needs and workforce experiences, including earnings. Individuals engaged in DHS services<sup>35</sup> are more likely to be employed in health care, food services and retail, and are represented in these industries at rates twice as high as the County's total population in retail and food services (**Table 4**). For working-aged people, ages 18 through 64 and involved in DHS services, earnings are low; in 2023, 48% earned less than the FPL for an individual (**Figure 9**).<sup>36</sup> DHS clients earn less than County residents in all industries; for example, in health care and social assistance, DHS clients earn less than one-third than that of County residents in the same industry. Even DHS clients in the highest-earning fields (e.g., finance and insurance, public administration, mining, quarrying, and oil and gas extraction) earn, on average, less than half that of County residents in the same fields.

The projected growth of health care and food service jobs highlights future job opportunities, but low wages for DHS clients in these industries suggest that barriers to achieving higher wages will persist, even after finding employment. This suggests that DHS clients could benefit from stronger connections to jobs that pay higher wages.

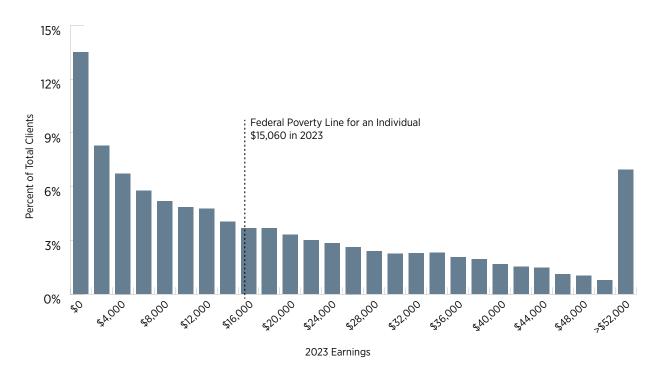
INDUSTRY	% OF EMPLOYED DHS CLIENTS	% OF ALL ALLEGHENY COUNTY RESIDENTS	AVERAGE EARNINGS OF DHS CLIENTS	AVERAGE COUNTY WAGE	PROJECTED INDUSTRY EMPLOYMENT CHANGE (2022 - 2027)
Health Care and Social Assistance	25%	20%	\$19,117	\$69,425	1%
Accommodation and Food Services	23%	9%	\$10,382	\$26,616	5%
Retail Trade	20%	10%	\$10,518	\$39,380	-10%
Finance and Insurance	2%	5%	\$30,697	\$113,699	-6%
Public Administration	1%	3%	\$30,716	\$76,509	-6%
Mining, Quarrying, and Oil and Gas Extraction	0.1%	0.1%	\$48,776	\$120,303	0.3%

# TABLE 4: 2023 Earnings of DHS Clients and Allegheny County Residents

Source: PA Department of Labor and Industry, <u>https://www.pa.gov/en/agencies/dli/resources/statistic-materials/products/county-profiles.html</u>, WIOA Multi-Year Regional Plan PY 21 - PY 2024, <u>https://www.partner4work.org/uploads/southwest-pa-wioa-regional-plan-py2023-modifications-final.pdf</u>.

- 35 DHS provides a wide range of human services, including services for older adults; mental health and drug and alcohol services; child protective services; at-risk child development and education; emergency shelters and housing for the homeless; non-emergency medical transportation; and services for individuals with a diagnosis of intellectual disability/autism.
- 36 DHS client earnings are generated by matching DHS clients with the PA Department of Labor and Industry (DLI) records of earnings and UI benefits. This does not take into account household size, so the percent under the FPL is an underestimation.

#### FIGURE 9: DHS Clients 2023 Earnings Distribution



Source: Calculations of Pennsylvania (PA) Unemployment Insurance (UI) records of Allegheny County Department of Human Services (DHS) clients between January 1 and December 31, 2023

# **Public Benefits Enrollment**

SNAP and TANF assist low-income households by providing food and cash assistance, respectively. These programs have work requirements for recipients who do not fall under an exempt category. Examining SNAP and TANF participation<sup>37</sup> provides insights into the demographics of residents accessing public benefits programs, which reflect the same racial and gender disparities evidenced by other economic indicators.

SNAP provides funds through an Electronic Benefits Transfer (EBT) ACCESS Card that can be used at grocery stores and supermarkets to make food purchases. SNAP recipients who are between age 18 and 49, not disabled and without dependent children, have historically been subject to a work requirement. However, this requirement has been waived in Allegheny County for several years and is currently waived through at least August 31, 2025.

37 The SNAP and TANF participation data used in this analysis originates from the DHS data warehouse. The DHS data warehouse integrates service data from a wide variety of sources both internal and external to the County. The data warehouse includes data for TANF and SNAP recipients, including people who live in Allegheny County and those who may live outside of the County but once had an address in the County. There may also be additional TANF and SNAP recipients who reside in the County but do not appear in the data warehouse because they do not receive services from DHS or other social service providers.

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TANF provides cash assistance to pregnant mothers and low-income families.<sup>38</sup> To qualify for TANF cash assistance, families must have resources of less than \$1,000 (e.g., bank accounts, bonds, property), must look for a job or participate in an employment and training program, and must complete a plan to transition off TANF (e.g., looking for work, training, applying for Supplemental Security Income).<sup>39</sup> TANF recipients may be exempt from the work requirement if they cannot work or look for work due to a disability or if they are caring for a child under 12 months or a disabled household member, homeless, or a victim of domestic violence.

# **SNAP** Participation

SNAP participation increased by 10% from 2021 to 2023. In 2023, individuals received SNAP for an average of seven months. Recipients were slightly more female (55%) than male (45%). The majority of recipients (60%) were White and 34% were Black.

SNAP RECIPIENTS									
INDIVIDUALS ACTIVE DURING REPORT PERIOD	2023 OVERALL	CHILD (UNDER 18)	ADULT (19 THROUGH 60)	OVERALL % CHANGE 2021 TO 2023					
SNAP Recipients	363,667	132,151	182,126	10%					
Female	55%	49%	58%	10%					
Male	45%	51%	42%	11%					
Race — White	60%	53%	63%	11%					
Race — Black/African American	34%	38%	33%	6%					
Race — Asian	3%	3%	2%	16%					
Race — Unknown	3%	5%	1%	76%					
Race — Other	1%	1%	0.4%	27%					

## **TABLE 5: SNAP Demographics**

Source: SNAP Recipients in the DHS Data Warehouse

# **TANF** Participation

In 2023, 22,918 individuals were TANF beneficiaries, an 11% (2,527) increase from 2021. In 2023 individuals received TANF for an average of seven months. The majority of TANF recipients were female (62%) and Black (61%). The percentage of female TANF recipients jumps to 86% when narrowing to adults 19 through 60, but Black participation remains roughly the same at 58%. This is consistent with other findings, including that female householders had a poverty rate that was more than double the County average and that participants in TANF Adult work programs were 71% Black and 91% female.

- 38 "Apply for Temporary Assistance for Needy Families (TANF)," Commonwealth of Pennsylvania, https://www.pa.gov/en/ services/dhs/apply-for-temporaryassistance-for-needy-families-tanf. html#:-:text=TANF%20is%20a%20 crucial%20safety.for%20families%20 who%20need%20support.
- 39 Cash Assistance, Temporary Assistance for Needy Families (TANF), Commonwealth of Pennsylvania, <u>https://www.pa.gov/en/ agencies/dhs/resources/cash-assistance/ tanf.html</u>. Other requirements include being a US Citizen and a resident of Pennsylvania with a Social Security Number.

#### **TABLE 6: TANF Demographics**

TANF RECIPIENTS							
INDIVIDUALS EVER ACTIVE DURING REPORT PERIOD	2023 OVERALL	CHILD (UNDER 18)	ADULT (19 THROUGH 60)	OVERALL PERCENT CHANGE 2021 TO 2023			
TANF Recipients	25,445	17,637	7,781	11%			
Female	62%	51%	86%	10.0%			
Male	38%	49%	14%	13%			
Race — Black/African American	61%	63%	58%	9%			
Race — White	32%	30%	36%	7%			
Race — Unknown	3%	4%	2%	127%			
Race — Asian	2%	2%	3%	41%			
Race — Other	1%	1%	0%	47%			

Source: TANF Recipients in the DHS Data Warehouse

An analysis of SNAP and TANF beneficiaries who receive DHS services offers insight into how low-income populations receive support from Allegheny County. In 2023, when DHS provided services to 199,918 people, 22,918 received TANF benefits and 363,667 received SNAP benefits. From 2021 through 2023, there was a 10% (34,205) increase in the number of TANF and SNAP recipients. TANF and SNAP participation rates varied by the type of service clients participated in; TANF and SNAP enrollment was highest among clients involved in family strengthening services (e.g., family supports, Head Start and the Early Learning Resource Center) or participating in the Self Sufficiency program. Over the three-year period, the number of SNAP recipients enrolled in family strengthening increased by 24% (5,976).

# **Employment Training**

This report offers insights into a subset of employment supports offered in Allegheny County and does not capture the entire universe of employment training programs. The workforce development landscape in Allegheny County consists of programs funded and provided by Partner4Work (P4W), labor unions, trade centers, Community Colleges, community organizations and others. We selected P4W's programs as a focus for this analysis (see **Table 7**) because they are targeted to low-income populations, aim to improve financial stability, and have data that are readily available.

P4W programs fulfill the work requirements of SNAP and TANF and work with job seekers to obtain employment, prioritizing low-income individuals (i.e., Workforce Innovation and Opportunity Act [WIOA] Adult/Youth, TANF Adult) and individuals with barriers to employment.<sup>40</sup> Workforce Innovation and Opportunity Act (WIOA) Title I programs are formula grant allotted to states and local jurisdictions for workforce development activities for unemployed and underemployed individuals. The Employment Advancement and Retention Network (EARN) and Work Ready programs are specifically designed to engage TANF and SNAP adult recipients.<sup>41</sup>

PROGRAM	DESCRIPTION
WIOA Adult	Provides job search assistance and training services through PA CareerLink, a system designed to help job seekers 18 and older succeed in the labor market <sup>42</sup>
WIOA Dislocated Worker	Aims to help individuals who become dislocated due to a job loss, mass layoffs, or transitions in economic sectors get back to work as quickly as possible and reduce barriers to employment
WIOA Youth	Serves youth and young adults through case management towards educational attainment, career guidance, opportunities for internships and pre-apprenticeships, skills training and necessary supportive services <sup>43</sup>
TANF Adult	Consists of EARN, SNAP EARN and Work Ready programs. EARN assists welfare and low-income individuals gain employment by providing case management, education with an emphasis on individuals with limited English proficiency, skills training, job placement and supportive services including childcare. <sup>44</sup>
	Work Ready provides case management, training, barrier remediation, employment and retention services through providers contracted by Partner4Work, EDSI, Grant Associates and Goodwill. <sup>45</sup>

# TABLE 7: P4W Workforce Programs

three-rivers-local.pdf.

Additional information about WIOA, TANF, EARN and Work Ready workforce programs can be found in **Appendix E**.

40	"Workforce Innovation and Opportunity Act," U.S. Department of Labor, <u>https://</u> <u>www.dol.gov/agencies/eta/wioa</u>	43	Q&A: TANF and WIOA, U.S. Department of Health & Human Services, <u>https://www.acf.</u> <u>hhs.gov/ofa/faq/q-tanf-and-wioa</u> . Q&A: TANF and WIOA, U.S. Department of Health	45	EDSI (Educational Data Systems, Inc.) is a workforce development company that provides job seeker placement and retention services, https://www.edsi.com/company-
41	Board of Directors' Briefing Book,"		& Human Services. Updated May 20, 2019.		info.
	Partner4Work, Page 49, December 15, 2023,		https://www.acf.hhs.gov/ofa/		<u></u> .
	https://www.partner4work.org/uploads/		fag/g-tanf-and-wioa.		
	briefing-book-for-12-15-2023.pdf.				
		44	This total includes all P4W programs inclusive		
42	WIOA Multi-Year Local Plan (PY2021 –		of the TANF, SNAP, EARN and Work Ready		
	PY2024), page 57, <u>https://www.pa.gov/</u>		programs, Employment, Advancement and		
	<u>content/dam/copapwp-pagov/en/dli/</u>		Retention Network (EARN), https://www.		
	documents/businesses/workforce-		partner4work.org/programs/employment-		
	development/documents/wioa/regional/		advancement-retention-network-earn.		

As shown in **Table 8**, the number of individuals enrolled or referred in P4W WIOA and TANF programs increased by 32% between 2021 and 2022.<sup>46</sup> This is largely due to more than doubling of enrollment in the TANF Adult program and an increase in the WIOA A/DW program. The time frame suggests COVID-related policies allowing extended participation in TANF Adult programs may have contributed to the increase; a lower number of participants exiting along with an increase in referrals in 2022 helped fuel the rise in participation. The first three quarters of 2023 show that participation exceeded 2021 yearly totals and TANF and WIOA Youth program participation exceeded 2022 levels. These increases in WIOA, TANF and SNAP-related workforce programs and the coming reinstatement of SNAP work requirements next year suggests more people will need to find work or participate in a workforce program to meet SNAP work requirements.<sup>47</sup>

PROGRAM	PROGRAM YEAR 21	PROGRAM YEAR 22	PROGRAM YEAR 23 (Q1-Q3)
WIOA Adult/ Dislocated Worker Participants	1,114	1,516	1,070
WIOA Youth Participants	603	618	726
TANF Adult Participants	730	1,277	1,177
TANF Youth Participants	485	471	510
Total	2,932	3,882	3,483

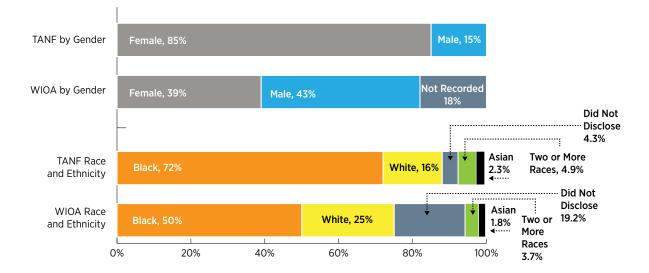
# TABLE 8: Workforce and Training Program Participation

Source: Partner4Work

P4W programs are targeted to low-income youth and working-age populations. An analysis of clients by race and gender mirrors labor force and unemployment disparities described earlier in this report. P4W TANF workforce program participants tend to be Black and female (Figures 10). The SNAP, Work Ready and EARN programs, which are components of the TANF Adult program and designed to engage SNAP recipients, are all more than 65% Black and female. The higher participation rates of Black and female participants suggest that these populations could be impacted to a greater degree by the reinstatement of SNAP work requirements.

46 This percentage includes individuals who may have participated in multiple programs in the same program year and includes EARN and Work Ready referrals. The 2023 fiscal year or program year runs from July 1, 2023 to June 30, 2024. 47 SNAP participants are required to fulfill general work requirements unless they fall into an exempt category. The SNAP work requirement for Able-Bodied Adults without Dependents (ABAWD) (individuals under 50 who are deemed work-eligible and not living with children) specifies that they cannot receive SNAP benefits for more than three months within 36 months unless

they participate in work or attend a training program for at least 20 hours per week. Pennsylvania federal waiver for ABAWD time limits will end in August 2025. (Pennsylvania Department of Human Services Memo #24-09-01, September 3, 2024, https://www.pa.gov/content/dam/ copapwp-pagov/en/dhs/documents/docs/ publications/oim-pcs-and-ops-memos/ ops-24-09-01.docx).



# FIGURE 10: P4W Select Programs Racial, Ethnic and Gender Composition, 2022

Source: Partner4Work WIOA Adult/Dislocated Worker, WIOA Youth, TANF Adult, TANF Youth, EARN, Work Ready and SNAP 2022 program data

One indicator of program effectiveness is participant wages when they find employment. In 2023, median earnings for EARN, Work Ready and SNAP-EARN participants were \$16, \$15 and \$14.50 an hour respectively. These median earnings are higher than the FPL (\$7.25/ hr.) but less than a living wage (\$21.55/ hr.) for one person in Allegheny County working full time.<sup>48</sup> This suggests that these programs are effective in getting people back to work at wages higher than the FPL, but that challenges remain in obtaining jobs that pay a living wage.<sup>49</sup>

While workforce development programs show some effectiveness, barriers remain in participation and program completion. Examining individual survey responses provides additional insights into people's interaction with workforce training programs and challenges faced.

The majority of individuals surveyed (66%) had never participated in a job training program. When asked what assistance would make it easier to attend an employment training program, 46% suggested offering free training or being paid to attend training, followed by transportation assistance (29%) and flexible training hours (27%). Workforce providers noted that offering flexible training hours would require an increase in staffing and funding,

48 MIT Living Wage Calculation for Allegheny County, PA, Living Wage Calculator - Living Wage Calculation for Allegheny County. Pennsylvania (mit.edu). P4W sets the self-sufficiency wage based on 250% of the FPL. In 2023, the self-sufficiency wage is \$17.52/hour for an individual. 49 Earnings are calculated based on participants who achieve a "placement," defined as working in unsubsidized employment at least 80 hours in four consecutive weeks.

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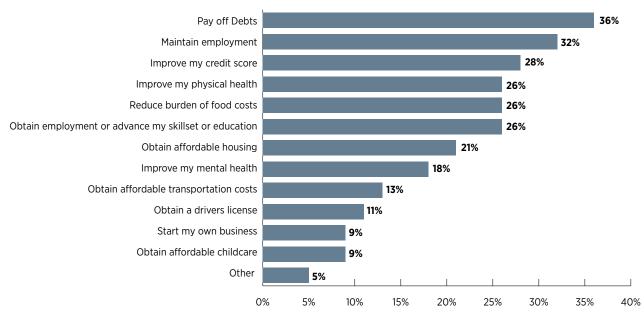
and they suggested that some concerns could be alleviated if affordable childcare were available during the same hours as employment training programs.

Thirty-one percent of respondents had participated in a workforce training program at some point and less than 4% were actively enrolled at the time of the survey. Of those, 79% completed the program. Reasons why people did not complete the program include getting a job, childcare responsibilities, having to return to work or face losing benefits, and health issues. Respondents suggested that more opportunities to network with others in the same field and assistance finding a long-term job or career could improve workforce training programs.

# **Financial Goals**

Financial goals are highly personal and help motivate an individual on their journey to financial stability. When asked to share their goals, community members said their three most important financial goals were to eliminate debt (36%), maintain employment (32%) and improve credit scores (28%) (FIGURE 11). These goals point to the need to secure and maintain jobs that pay more and therefore reduce financial burdens.

# FIGURE 11: Financial Goals, Survey Respondents



Source: 2024 Community Needs Assessment Survey Data

Almost half (45%) of respondents indicated they had received assistance with one of their goals. For almost half (46%), that help came from family or friends and 23% reported that it came from a community organization. Respondents also said that access to childcare, opportunities to pursue higher education and/or work in desired jobs, or simply having more money would help them achieve their financial goals.

## CONCLUSION

This Community Needs Assessment shows a continued need to address poverty through efforts to support individuals' attainment of full-time living-wage employment and resources that address basic needs. SNAP and TANF workforce development programs help people with very low incomes connect to training and employment. Still, barriers remain such as transportation and skill development for jobs that pay a living wage. Future analysis should explore the gap in skills and education between low-income populations and available jobs. Exploring hiring practices of recruiters seeking potential employees can provide insight into the steps needed to strengthen the pipeline between SNAP and TANF workforce programs and employment that provides family-sustaining wages. Further, ensuring that basic needs are met and economic security is achievable involves helping individuals obtain food, housing and transportation.

# **APPENDIX A: COMMUNITY SERVICES ADVISORY COUNCIL (CSAC)**

CSAC is comprised of fifteen (15) members who are residents of Allegheny County. Membership, as per CSBG requirements, is comprised of County Council appointments (one-third); individuals who have been nominated and approved by CSAC to represent the interests of low-income persons (one-third); and individuals who have been nominated and approved by CSAC to represent service providers, business, education, housing, employment and health care and who have an interest in helping low-income people achieve economic security (one-third).

NAME	CATEGORY	OFFICE/COMMITTEE	TERM
Lynn Tatala Allegheny Intermediate Unit	SLI	President	12/2022 to 12/2024
Tom Baker Variety-the Children's Charity	SLI		7/2023 to 6/2025
Mary Frances Pilarski Health Care for the Homeless Veterans Program	SLI		6/2024 to 6/2026
Mike Selep Universal Services	SLI		9/2022 to 9/2024
Stephanie Eson Human Services Center Mon Valley	SLI		1/2024 to 12/2025
James Richie Port Authority Allegheny County	Р		1/2022 to 12/2024
Andrea Horton-Mericli University of Pittsburgh	Р		1/2022 to 12/2024
Dillon Moore Partner4Work	Р	Vice-President	1/2022 to 12/2024
Laura Zinski Mon Valley Initiative	Р		1/2022 to 12/2024
Rico Carter	RLI		10/2023 to 9/2025
Crystal Lehmeier	RLI		3/2026 to 3/2028
Bill McDowell	RLI		10/2023 to 09/2025
Dee Lanier	RLI		8/2023 to 7/2025
Elayne Masters	RLI		6/2024 to 6/2026

SLI: Services to low-income

P: Appointed by County Council

RLI: Representative for Low-Income

# **APPENDIX B: COMMUNITY MEMBER SURVEY QUESTIONS**

- 1. How satisfied are you with your ability to cover everyday basic needs and expenses over the past year?
- 2. You indicated that you are [*extremely dissatisfied or somewhat dissatisfied*] in your ability to cover basic needs and expenses, please indicate why you feel this way?
- 3. Compared to 12 months ago, would you say that you (and your family) are better off, the same, or worse off financially?
- 4. During the past year was there a time when you needed any of the following but went without or delayed because you couldn't afford it?
- 5. What income sources helped you to cover everyday expenses over the past year?
- 6. Suppose that you have an emergency expense that costs \$400. Based on your current financial situation, how would you pay for this expense?
- 7. Select your most important financial goals at this time?
- 8. Recently, has anyone (a friend, family member, or someone with an agency) assisted you with any of (your responses) in *question 7*?
- 9. Who assisted you with the items listed in question 7?
- 10. What kind of assistance did they provide?
- 11. What is your employment status?
- 12. You indicated you are not currently working. How long have you been out of work?
- 13. Rate your satisfaction (1- very dissatisfied, 2 dissatisfied, 3- neutral, 4- satisfied, 5 very satisfied) with these parts of your most recent job: Wage, Job Security, Benefits, Opportunity for Advancement, Physical Working Conditions, Work-Life Balance.
- 14. What is the name of your current (or most recent) job position?
- 15. Did anything contribute to you working less than you wanted in the last month?
- 16. Overall, how important to you is finding employment or a new job at this time?
- 17. If you are looking for a new job, why are you looking for a new job?
- 18. What are some challenges that you face when looking for a new job?
- 19. What barriers or challenges do you encounter when trying to maintain a job?
- 20. What kind of support and or resources do you feel would help you overcome these obstacles and achieve your employment goals?
- 21. Have you ever participated in a workforce development, specialized training, or employment assistance program?
- 22. What was the name of the workforce development, specialized training, or employment assistance program?
- 23. Did you complete the workforce development, specialized training, or employment assistance program?

25. Why did you not complete the workforce development, specialized training, or employment assistance program?

# **APPENDIX C: WORKFORCE PROVIDER/ COMMUNITY ORGANIZATION SURVEY QUESTIONS**

- 1. In what capacity are you completing this survey?
- Roughly half of Allegheny County residents surveyed in a community survey reported feeling "somewhat dissatisfied" or "extremely dissatisfied" in their ability to cover basic needs and expenses over the past year. The top reasons people indicated why they felt this way were:
  - a. Difficulty covering food costs
  - b. Difficulty covering utility costs
  - c. Difficulty covering housing costs
  - d. Difficulty covering transportation costs
- 3. Do you agree with the difficulties indicated above?
- 4. Are there any difficulties you would add to this list?
- 5. How was your experience in attempting to help people address these difficulties?
- 6. Do you or your organization provide assistance with any of the difficulties listed?
- 7. You indicated your organization provides support for (items checked in question 2). What type of assistance do you provide to clients?
- 8. What are the reasons your organization does not provide food, utility, housing or transportation assistance?
- 9. Which difficulty identified above (in question 2) is the most challenging to address?
- 10. Allegheny County residents surveyed indicated the top 5 most important financial goals as:
  - a. Being able to pay off debts
  - b. Maintain employment
  - c. Reduce the burden of food costs
  - d. Improve credit scores
  - e. Advance skillsets or education to obtain a good paying job
- 11. Do you agree with the items listed above?
- 12. Are there any difficulties you would add to this list?
- 13. How was your experience in attempting to help people address these difficulties?
- 14. Do you or your organization help with any of the difficulties listed? (Select all that apply)
- 15. What type of assistance do you provide to clients?
- 16. Which goal identified above is the most challenging to address?
- 17. Roughly half of respondents indicated they worked less than they wanted in the last month, with the top 3 reasons being:
  - a. Family responsibilities like childcare, elder care or caring for a disabled or sick adult
  - b. Mental health concerns impacting their ability to maintain full-time employment
  - c. Physical health concerns impacting ability to maintain full-time employment

- 18. Do you or your organization help with any of the difficulties listed?
- 19. You indicated your organization provides support for (items checked in question 14). What type of assistance do you provide to clients?
- 20. Which difficulty identified above (in question 14) is the most challenging to address?
- 21. Allegheny County residents surveyed identified challenges when **looking for a new job or maintaining a job**; the top three reasons were:
  - a. Finding job opportunities (selected as the overwhelming top reason)
  - b. Paying for transportation to potential jobs / Accessing reliable transportation
  - c. Preparing resumé/other application materials
- 22. Do you or your organization provide direct assistance, referrals, or other supports for any of the difficulties listed?
- 23. You indicated your organization provides support for (items checked in question 12). What type of assistance do you provide to clients?
- 24. Which difficulty identified above (in question 12) is the most challenging to address?
- 25. Survey respondents indicated that support and assistance would make it easier to attend a job skills or employment training program. The top three supports needed included:
  - a. Free training or being paid to attend training
  - b. Flexible training hours
  - c. Transportation assistance
- 26. Do you/does your organization provide direct assistance, referrals, or other supports for any of the difficulties listed?
- 27. You indicated your organization provides support for (items checked in question 14). What type of assistance do you provide to clients?
- 28. Which difficulty listed in question 14 is the most challenging to address?
- 29. Do you or your organization face challenges in getting people to meet the eligibility criteria of workforce programs?

# **APPENDIX D: SURVEY THEMES**

Survey themes are compiled from community members, workforce providers and community organizations. They do not include all survey responses but are a representative sample of the most prevalent responses.

## Satisfaction in covering basic needs

"New baby, health issues led to full disability equals no income currently."

"Inflation has raised the price of everything, including utilities."

"Summer camp and food has been incredibly hard as I don't fall into income guidelines for support."

"Difficult to cover cell phone bill."

# Financial/Employment goals

"Making most jobs in the U.S. a full time 4-day work week of 32 hours leaving a day for play, a day for getting stuff done and a day for rest. Also, assistance paying for some continued training in Coursera, LinkedIn Learn or some other platform."

# Childcare

"Being a single mom, I could use a hand from time to time to help with kids."

# Looking for a new job

"Clients struggle getting employed. Even though "Everyone" says they are hiring, clients are finding that is not true."

# Challenges in providing housing assistance

"There are not enough resources available to refer people to in the County to help with low-income housing, help with housing costs/security deposits/etc."

Challenges in providing transportation assistance

"We do not have public transportation that is accessible to everyone."

"Less funds available for transportation assistance. Or community members do not fit the eligibility requirements, like seeking employment or going to school (seniors, those on disability, caretakers of children with special needs). Process to approve community members can be too long, requires too much information."

"Expanding public transportation services in our area of the County would greatly increase employment opportunities and the ability for individuals to maintain it. It seems like they are constantly cutting routes and how often they provide service on the lines that they do have. Unless you have your own reliable transportation and a driver's license, you will have difficulty maintaining employment in our area of the County."

More funding for transportation assistance would be helpful. When we are able to assist people with registrations, inspections and repairs, we are more able to help people find jobs.

# **APPENDIX E: TANF/SNAP ELIGIBILITY AND P4W WORKFORCE PROGRAM DESCRIPTIONS**

SNAP and TANF programs require recipients to work, get job training, or perform other work-related activities to qualify for benefits.<sup>50</sup> These programs also have income and asset eligibility requirements.

# **SNAP Eligibility and Workforce Program Participation Requirements**

To qualify for SNAP, a family of four's monthly gross income (pre-tax income) must be below \$5,000 (\$60,000/ year). This is greater than the FPL but less than the living wage (\$99,650) as calculated by Economic Policy Institute.<sup>51</sup> A family of four can receive a maximum SNAP benefit of \$973/month. Adults (ages 16 through 59) who are not otherwise exempt must comply with the general work requirements to receive SNAP benefits; they must register to work, accept a job if offered and not quit a job without good cause. SNAP work exemptions include taking care of a child under 6, being unable to work due to a physical or mental limitation, and participating in an alcohol or drug treatment program.<sup>52</sup>

SNAP recipients are considered Able-Bodied Adults without Dependents (ABAWD) if they are between 18 and 49, have no dependents and participate in a work program to maintain SNAP eligibility. ABAWD work requirements are more stringent in order to continue to receive SNAP benefits: they must work an average of at least 80 hours a month, participate in a WIOA or approved employment training program for at least 80 hours a month, and participate in an approved program for at least 20 hours a week.<sup>53</sup> If these work requirements are not met, ABAWD's can receive SNAP for only 3 months within a 3-year period. Due to the pandemic, states were allowed to waive the ABAWD time limits on SNAP. Pennsylvania waived the time limit due to recent federal legislation, but work requirements resumed in August 2024.<sup>54</sup>

# **TANF Eligibility and Workforce Program Participation Requirements**

TANF can be received for up to 5 years with a maximum payment of \$497 a month (\$5,964 /year) for a family of four.<sup>55</sup> Once a TANF recipient starts working, only half of wages are counted as income.<sup>56</sup> TANF recipients may be exempt from the work requirement if a person cannot work or look for work due to a disability, is caring for a child under 12 months, is caring for a disabled household member, is homeless or a victim of domestic violence. P4W manages TANF Adult and TANF Youth programs through providers in Allegheny County.

- 50 Work Requirements Tracker, Urban Institute, https://apps.urban.org/features/ workrequirements-tool/print\_state. html?state=Pennsylvania.
- 51 SNAP Income Limits, Commonwealth of Pennsylvania, <u>https://www.pa.gov/en/</u> agencies/dhs/resources/snap/snap-incomelimits.html.
- 52 SNAP Work Requirements, USDA Food and Nutrition Service, U.S. Department of Agriculture, <u>https://www.fns.usda.gov/snap/ work-requirements</u>, Other general work requirements include working at least 30 hours a week or studying in school or a training program at least half-time (college students have other eligibility rules).
- 53 SNAP Work Requirements for Able-Bodied Adults Without Dependents (ABAWDs), Commonwealth of Pennsylvania, <u>https://</u> <u>www.pa.gov/en/agencies/dhs/resources/</u> <u>snap/snap-work-requirements-abawds.html</u>.
- 54 PA DHS Memo #23-08-02, 8/11/2023 https:// prddhs.pwpca.pa.gov/docs/Publications/ OIM%20PCs%20and%200ps%20Memos/ OPS%2023-08-02.docx.
- 55 TANF (Cash Assistance) Youth Justice Project, https://clsphila.org/wp-content/ uploads/2019/04/YJP-factsheet-TANF 1.pdf.
- 56 <u>https://clsphila.org/wp-content/</u> uploads/2019/04/YJP-factsheet-TANF\_1.pdf.

# WIOA Adult Title 1/ Dislocated Worker<sup>57</sup>

"WIOA Title I Adult and Dislocated Worker programs are designed to help job seekers access employment, education, training and support services to succeed in the labor market."<sup>58</sup> They also seek to match employers with skilled workers with a regional focus. WIOA program participant eligibility includes being 18 years of age or older, being a citizen or non-citizen authorized to work in the U.S. and meeting selective service registration requirements for men.

# **WIOA Youth**

According to P4W, "WIOA Title I Youth programs prioritize services for young individuals, focusing on job training, education, work experience and career development."<sup>59</sup> The WIOA youth program allocates funding for youth career and training services, with a focus on out-of-school youth and in-school youth with employment barriers. The program also helps participants with education, skills training credentials and finding employment opportunities. WIOA Youth participation has steadily increased from 2021 to 2023. To participate in the WIOA Youth program, youth must be between 14 and 24 years of age and low-income.

# **TANF Youth**

According to P4W, "The Temporary Assistance for Needy Families Youth Development Program (TANF YDP) is funded by the PA Department of Human Services (PA DHS) and administered by the PA Department of Labor and Industry (L&I). TANF YDP programs provide workforce services for youth and young adults, focusing on employment and education experiences and the development of essential workplace skills."<sup>60</sup> To participate in a TANF Youth program, youth must be between 12 and 24 years old, be a resident of Allegheny County, have a social security number and have an income that does not exceed 235% of the Federal Poverty Level if they don't live in a high poverty area. The TANF Youth program saw a decrease in enrollment from 2021 to 2022, but participation rates in 2023 are greater than the two previous years.

57 WIOA Title I Adult & Dislocated Worker Policy Guide," Partner4Work, December 20, 2023, Page 5, https://www.partner4work. org/uploads/wioa-title-i-a-&-dw-policyguide-1-1\_12202023-(1).pdf.

58 Board of Directors' Briefing Book," Partner4Work, December 15, 2023, Page 46, <u>https://www.partner4work.org/uploads/</u> briefing-book-for-12-15-2023.pdf. 59 "Board of Directors' Briefing Book," Partner4Work, December 15, 2023, Page 47, https://www.partner4work.org/uploads/ briefing-book-for-12-15-2023.pdf.

60 "Board of Directors' Briefing Book," Partner4Work", December 15, 2023, Page 50, https://www.partner4work.org/uploads/ briefing-book-for-12-15-2023.pdf.