

FAMILY WELL-BEING AND WELFARE REFORM IN IOWA

A Study of Income Support, Health, and Social Policies for Low-Income People in Iowa

A Profile of Hampton

Franklin County is located in north central Iowa in the path of Interstate 35. The county's population in 1997 was estimated at 10,874, declining 4.3 percent since 1990. Hampton, the county seat, has an estimated population of 4,030. Census Services at Iowa State University estimates that in 1997, 4 percent of the population and 7 percent of school enrollment in Franklin County was Hispanic, but that likely excludes most seasonal cannery and agricultural workers. (See Table 1.)

Franklin County is a prosperous farming county—at least when agricultural commodity prices are high. In 1996, services and farming generated the greatest employment (19 and 18 percent, respectively, of full- and part-time jobs) in Franklin County. Since 1996 was a good agricultural year, farming outpaced all other sectors in earnings (30.4 percent), followed by manufacturing (16.7), and services (14.5). County unemployment in 1997 was low (3.2 percent), comparable to the 3.3 percent statewide rate. The 1993 estimates show that median household income in Franklin County (\$28,342) exceeds that of similar rural counties that are not adjacent to metropolitan areas (\$27,468) and is comparable to Iowa overall (\$28,867).¹ Higher

earnings per job in 1996 for Franklin County (\$24,228) compared with that of similar counties (\$20,965) is largely attributable to a prosperous farming sector; and is comparable to Iowa's statewide average earnings per job (\$24,646). In the mid-1990s, farm proprietors' incomes in Franklin County were more than double the incomes from nonfarm jobs, suggesting that there are many low-wage jobs in the nonfarm sector, particularly in the retail and agricultural service sectors.

A slightly smaller portion (9.6 percent) of Franklin County residents were poor in 1995 than those in other rural nonadjacent counties (10.9 percent). The poverty rate among people of all ages and for children under 18 was slightly lower than the rate in similar counties and the state. That was reflected in a lower proportion of the county's population receiving Family Investment Program (FIP) benefits and food stamps. In the 1997-98 school year, Franklin, as well as other rural nonadjacent counties, had slightly more school children receiving free or reduced-price school meals than the state over all (29.0 percent and 30.6 percent compared with 27.6 percent). This pattern (low FIP use and above-average qualification for free and

Hampton, Franklin County

Franklin County is a prosperous farming county—at least when agricultural commodity prices are high.

¹Rural nonadjacent counties have no cities with populations of more than 20,000 and are not adjacent to a metropolitan area. Iowa has 45 rural nonadjacent counties.

Table 1. Franklin County Socioeconomic Profile

	Franklin County	Rural nonadjacent	Iowa
Population characteristics (1997)			
% White	99.6	99.1	96.5
% Black	0.1	0.2	1.9
% Hispanic origin (can be of any race)	4.0	1.2	2.3
Age distribution (1990)			
% population age 0–17	25.2	25.9	25.9
% population age 18–44	34.5	34.3	39.9
% population age 45–64	20.2	19.8	18.8
% population age 65+	20.0	20.0	15.4
Educational status (1990)			
% population 25+ high school graduates	39.1	41.5	38.5
% population 25+ bachelor's degree	8.9	8.7	11.7
Family status (1990)			
% married couples w/related children	40.8	39.1	39.4
% female headed w/related children	3.0	4.8	7.0
Income and employment			
Median household income (\$) 1993	28,342	27,468	28,867
Earnings per job (\$) 1996	24,228	20,965	24,646

“I see welfare in layers where PROMISE JOBS is taking off the top layers of clients who will get training or schooling and be successful. What’s left are the ... clients who aren’t employable.”

—DHS employee

reduced school lunches) may be due to low wages in the county (families being near poverty) and residence of low-income immigrant families living in the county, who may not be eligible for or choose not to participate in FIP.

Moving Families from Welfare to Work

Three income maintenance workers assist Franklin County residents who participate in FIP. A local Department of Human Services (DHS) administrator emphasized that a very professional staff treats Franklin County clients with respect and consideration. Through their longevity, local DHS caseworkers have extensive knowledge of the community and services available and have established credibility with their clients. According to this informant, this helps deter dishonesty and system abuse. Franklin, along with Bremer, Butler, and Grundy counties, is part of a four-county service cluster with the office headquarters in Butler County.

The local DHS office was ready for welfare reform, according to this administrator, because personnel encouraged self-sufficiency long before FIP became a reality. Statewide training on the 1996 federal welfare reform regulations and state-mandated but locally organized community forums were well attended by clients and providers. The forums helped build connections and coordination among agencies, and reduced duplication of services. In spite of these advances, a DHS employee assessed the future of welfare reform as follows:

I see welfare in layers where PROMISE JOBS is taking off the top layers of clients who will get training or schooling and be successful. What’s left are the non-disabled, but socially inept clients who aren’t employable. How can they be helped? Who will hire them? The private sector has to be partially responsible, but what is their incentive? Is all of this cost-effective? Does it make sense to spend thousands of dollars in transportation

and child care to train a client who has a more vested interest right now in staying home with her children? Maybe the best care for those children is at home?

Coordinating child care of second and third shifts, where most will be employed, is extremely challenging.

Job Opportunities—Despite high productivity within the farming sector, various community informants cited the problem of a lack of well-paying jobs. One local business manager said that most jobs at his company are production-line work and require high school graduates able to “read, write, and follow directions.” This manager reported that some welfare recipients, having been offered jobs, turned them down, saying they can “make more money on welfare.” One FIP recipient put it somewhat differently: “There aren’t enough good paying jobs—you have to go to a bigger town. In order for people to make it any more, you have to be getting \$12 to \$16 per hour.” One of the larger private employers was not aware of incentives available to firms for hiring welfare recipients, and had little contact with PROMISE JOBS (PJ).

Child Care—In Hampton, difficulty in obtaining child care is the most commonly cited barrier that low-income families face when attempting to work and/or attend training. Adults employed during evenings or weekends and those attending evening classes for General Equivalency Diploma (GED) completion struggle to find supervision for children of all ages. At the time of the interviews in 1997, there were no registered child care centers in town. Frances Lauer Youth Services has an after-school program for middle school children. A Head Start worker indicated the need for 24-hour care, with the greatest need between 6:00 a.m. and 6:00 p.m. Hampton has “little or no” before- and after-school child care, protective services for children (they must go 28 miles to Mason City), services for disabled children, or infant care. Parents must rely on private home care providers, relatives, or friends. One informant

questions the quality of non-licensed providers because many lack formal training and take in more children than they should.

Head Start recently opened a second center in Hampton (closing a much smaller one across the border in an adjacent county). Consequently, the long waiting list has been eliminated. Head Start staff report an increasing number of referrals to other social services because more families and children are experiencing emotional stress and because the noncustodial parent fails to pay child support. Many parents are turned away from Head Start because they fail to meet the program’s income guidelines. Families may “fall between the cracks” if both parents work at minimum wage jobs. This staffperson says “we are seeing two-parent working families—if you’ve got two children in child care and you’re not making very much money, then child care is a big part of your income.”

Meeting Emergency Needs

Food and Shelter—A local church started Hampton’s food pantry in 1984, but it was closed for 6 months in 1995 for lack of funding. The pantry then was reorganized as an independent organization supported by various churches, service clubs, and a few generous individuals. At the time of the interviews, the pantry, operated by an all-volunteer staff, was open Tuesdays and Fridays from 10:00 a.m. to noon. Franklin County residents could receive a 4-day supply of food once every 2 months. In 1996, the pantry served an average of 25 families or 96 people per month. Numbers are higher in the summer months when migrant workers are in the area. The pantry struggles to meet increasing demand. At the time of the interviews, food drives had not been very successful, which may be attributed to a widespread negative attitude toward the migrant worker population. Contributions drop off noticeably during the months they are in town.

“We are seeing two-parent working families—if you’ve got two children in child care and you’re not making very much money, then child care is a big part of your income.”

—Head Start staff person

Where will people go when they are no longer eligible for welfare? The local churches and food pantry are “stretched to their limit.”

—Family Development worker

Low-income families can seek assistance from North Iowa Community Action (NICA) for crisis help; housing assistance; rent/utility deposit loans; the Supplemental Food Program for Women, Infants, and Children (WIC); and child health services. A Family Development worker heads Hampton’s one-person NICA office, which receives applications for the various programs, and passes them on to NICA headquarters in Mason City. The fact that she must keep the office open means she has limited time for her home visits. This informant wasn’t sure where people would go when they were no longer eligible for welfare because the local churches and food pantry are “stretched to their limit.”

The local ministerial association oversees and the local Catholic Church administers the Crisis Assistance Fund for transportation, medical supplies, utilities, and rent assistance (the most requested service). In 1996, \$18,000 was given out, but that fell short of the need. The fund is apparently known by low-income residents. One said “I have a Catholic Church down here that helps us if we get kind of low on our electric bill or something. They’ll help us a little bit. If I need some extra, they’re pretty good about that. They have funds we can use.” Lately, the assistance fund has had to turn some people away or give them only small amounts. Churches are the primary source of support, although some local civic organizations contribute. Some pastors feel uncomfortable requesting assistance because their congregations do not always react positively. The ministerial association discussed devoting one Sunday sermon to the problems of low-income families—Hispanics in particular—but some pastors, being sensitive to public sentiment, didn’t agree to it.

Health Care—Hampton’s Public Health Department reported that its caseload is increasing and includes more medically indigent (uninsured) people. Anticipating a continuation of these trends, one official said

that Public Health will have to be “choosier” in accepting clients—they must be truly needy. WIC and child health clinics are available through NICA, but at the time of the interviews the number of clients served at child health clinics decreased from the previous year because of a change in WIC program requirements. NICA still sponsors the program, but the agency contracts with local physicians to serve the children. However, the doctor shortage sometimes means that not all children are examined. In general, Public Health has adequate staff to provide care for low-income and uninsured populations but the quality of care for medically indigent clients in the future will depend on how much the county is willing to pay. Local physicians are reportedly resistant to taking on more Medicaid and uninsured low-income patients. And, according to community informants, “local dentists refuse to treat both groups.”

Hispanics are one of the most vulnerable populations because many are not insured. Public Health conducts tuberculosis (TB) testing and follow-up, especially with Hispanics. Hispanics often seek medical help from the local hospital emergency room, increasing costs to the hospital. There are no local family planning services. An Iowa Falls doctor comes once a week to see uninsured pregnant women but is not taking new patients. Medicaid patients must go to Mason City for obstetrics services.

An uninsured resident told of an incident with the local hospital:

Not too long ago I got an attack and I called the hospital and wanted to go into the emergency room and they wouldn’t take me because I had no funds ... She told me just to go get a bottle of 7-Up and said I would have to wear it out. Told me not to eat anything for 24 hours. They wouldn’t take me because I have no funds for the emergency room, so I had to tough it out on my own.

Coordination of Services

Local providers make no mention of any formal or informal structure for guiding families through the social service system other than referrals made by different agency personnel. Logistically, coordination of services can be difficult because Franklin County is in a very rural area. Some services are located in one county, but not another. An informant with a severely handicapped child recounted her troubles with respite care. “If I drive 40 miles [to Mason City], I can get the respite care so I can do my grocery shopping and my errands. But I didn’t use it one month—the month we had all the bad weather—so they cancelled it. When he’s in school, it’s hard to get up there between 4:00 and 6:00 p.m. So I’ve had a real problem with that.”

Despite these difficulties, service workers indicate they are getting better at communicating and collaborating with each other although it is time consuming and difficult to “give up one’s turf,” as one informant put it, but “we are mandated to collaborate and it just makes sense to not duplicate services.” However, another former recipient commented, “Some of these programs are available, but people don’t have resources to find them. That’s what’s hard. Such as North Iowa Regional Housing who helps with my daycare. Nobody knows about them. I know they are on limited funding just like everybody else, but how can you use them if you don’t know?”

Issues

Personal Barriers—Low-income families in rural Iowa have less immediate access to social services and employment opportunities than do those in urban areas; for these families, transportation is always an issue. Low-income families also face numerous personal barriers and challenges to becoming self-sufficient. Social service workers in Hampton report an increasing number of families (both adults and children) who battle mental illness. Some

FIP families are reported to consider themselves already “independent” because they are “making it on their own”—receiving FIP cash benefits and food stamps without having to rely on relatives or friends. One DHS worker said, “It’s hard to make them understand they are not [self-sufficient] or that in 5 years they will be off the program.” Stated one FIP recipient when asked about the 5-year limit, “I think about it, but I figure we’ve come this far. You just have to take one day at a time and see what happens. Who knows—by that time you never know what might be going on.”

Youth—There are few local preventive services for youth. At the time interviews were conducted in fall 1997, Franklin County had not yet initiated a decategorization program for child welfare services. Interviews with a number of informants suggest that the most pressing needs are parental involvement and local opportunities for young people. The parent of a 14-year-old girl experiencing drug and alcohol problems elaborated: “There could be more support groups for people in general having the same problem with kids. I wished there would have been more help. She was into drinking, she was starting to experiment with drugs—and there was nowhere to go.” A worker at the food pantry reported that their most successful food drives were those conducted by the local Boy Scouts, but there no longer is a troop in the community. In recent years Hampton-Dumont Schools hired a student advocate to serve the increasing number of at-risk students in all grades. When the grant money ran out, the school district picked up the cost. Dropouts have no other local option for obtaining a diploma (such as an alternative school or a GED completion program). One school teacher believed parenting classes would be beneficial, as would services for children with Attention Deficit Disorder (ADD) and those who cannot manage their anger.

“I think about (the 5-year benefit limit), but I figure we’ve come this far. You just have to take one day at a time and see what happens.”

—FIP recipient

A city official, when asked what resources would be available to people who lose eligibility when the 5-year limit is up, said, "I don't have the slightest idea."

Immigrant Issues—An increasing number of Hispanic immigrants are moving to the area, although many of them are employed in seasonal jobs and stay only a few months of the year. Some are employed as line workers in a pesticide plant in Hampton and many work in an egg-packing operation 5 miles outside of town. Others commute to outlying areas to work for hog producers, as migrant field workers for a seed corn company in Eldora (nearly 40 miles from Hampton), and in a canning plant in Ackley. The chicken deboning plant in Charles City (50 miles away) sends a bus to Hampton to pick up its employees. A knowledgeable informant said many Hispanics locate in Hampton because of family in the community and available housing.

The Catholic Diocese of Dubuque's Hispanic Ministries serves 11 parishes in the area. The director, a religious leader with experience in El Salvador, is based in Hampton. A spokesperson for Hispanic Ministries said welfare reform will have little effect on immigrants because few access government services and many are transient workers. The spokesperson said that although Hampton residents are becoming more comfortable with a diverse population, the community would be "surprised at the number of Hispanics in town," because they're not seen much. "They don't make an effort to be part of things in the community, but tend to stay among themselves and their families." A local pastor said few attend church because of language barriers or because they feel unwelcome. One informant believed that the community on the whole is not open to Hispanics because of the perception that they get in trouble, drink excessively, and drive expensive vehicles while seeking assistance from social service agencies. Another informant believed prejudice is a greater barrier to immigrants becoming part of the community than is language. Other FIP recipients harbored resentments against them. One older Anglo FIP recipient stated "Some people just get it for the getting. Like

some of the Mexicans. They can get anything. Us Iowa people go up there and you're either turned down or whatever."

One city official reported that the increasing Hispanic population makes some Anglo residents uncomfortable. In an effort to accommodate a more diverse community, the city developed bilingual publications and hired a Spanish-speaking police officer to help prevent conflict due to cultural differences. Local leaders established a diversity task force and English as a Second Language (ESL) classes are being offered. However, it is difficult for families to attend classes because child care is not readily available and the classes are not offered on weekends. Immigrants do seek assistance from the crisis fund and food pantry. Nearly one-third of NICA's clients are Hispanic. Several service providers made brief positive references to the work of Proteus, but knew little of its role in serving migrant workers other than providing medical and emergency funds.

Local Government—Neither city nor county government is actively involved in planning related to low-income families. As a city official saw it, the primary role of the city of Hampton is providing economic infrastructure and community protection for its residents. The city is concerned about improving the housing stock for low-income families. One official said Hispanics are likely to violate zoning ordinances regulating square footage per person. He said landlords, who are sometimes Hispanic themselves, charge migrant workers three times fair market rent for what is often substandard housing. A county official anticipated that welfare reform would have a negative impact on the budget because people who didn't become independent would still require help. These families will continue to rely on General Assistance (GA), NICA, and local churches. A city official, when asked what resources would be available to people who lose eligibility when the 5-year limit is up, said, "I don't have the slightest idea." He noted that the food pantry and energy assistance program were already working at capacity.

Summary

With limited job opportunities and a shrinking population base, Hampton and Franklin County face several challenges in meeting the needs of low-income families.

Those challenges include

- increasing the number of jobs paying a living wage—even dual income families struggle to afford dependable transportation and quality child care;
- providing services and opportunities for youth;
- maintaining the support of the faith community which struggles to establish solidarity and obtain resources to meet increasing demand for these charities;
- acknowledging and addressing the “invisibility” of low-income people in the community;
- coordinating service providers and local government planning to deal with multiple barriers to self-sufficiency;
- addressing the lack of transportation for welfare recipients to services provided outside the county;
- continuing to explore ways to incorporate a diverse population into community life and increase acceptance of Hispanics—many Anglos see immigrants as a drain on resources rather than an asset to a county with declining population; and
- increasing the knowledge of employers about welfare-to-work provisions.

Still, there is reason to be hopeful. Hampton’s social service community appears to demonstrate a great deal of care for its low-income clients. The underlying goal of welfare policy, to move low-income families from dependence to self-sufficiency, did not take DHS and local government by surprise because they had encouraged this notion prior to welfare reform. Although some progress is being made in building collaboration among agencies, it is made difficult because some services are not available in the county. Staff members of various agencies are generally optimistic about welfare policy, but realistic about possible future difficulties. For instance, county supervisors see that the exclusion of immigrants from Medicaid may well cause them to have to increase health-related funding. City government and various agencies are taking positive steps to incorporate Hispanic residents into the community. Efforts are being made to develop more affordable housing. Still, much remains to be done.

Hampton’s social service community appears to demonstrate a great deal of care for its low-income clients.

About the Study

This report is part of a larger study of welfare reform in Iowa. In addition to a study of state-level policy and practice, seven communities representing a continuum along a rural-urban gradient were chosen for in-depth examination.

In fall 1997, a different team of extension field staff persons conducted interviews with service providers and other community leaders in each of the seven communities, and carried out the first wave of interviews with five welfare recipients in that community. The local service-provider interviews were conducted with Department of Human Services, PROMISE JOBS, and other public-sector personnel in the areas of health and education, with non-profit and for-profit service providers (including those providing emergency services such as soup kitchens, food

pantries, and homeless shelters), city and county government officials, and one or two private employers and/or their representatives (such as Chamber of Commerce personnel). The interview team in Hampton consisted of Janet Brown, Cheryl Clark, Bob Cole, Sue McDonnell, Bev Peters, and Barb Ristau. Taped interviews, summary notes, and supporting materials were forwarded to the community analysis team on the ISU campus, which consisted of Cynthia Needles Fletcher, Jan Flora, Barbara Gaddis, and Hugh Hansen, who drafted the community reports.

References

Burke, S.C. (1999, March). Counts (1990) and estimates (1997) of Iowa residents of Hispanic origin (Census Services Publication No. CS99-3). Ames, IA: Iowa State University Department of Sociology.

Iowa PROfiles: Public resources online. [On-line]. <http://www.profiles.iastate.edu/county/franklin.html>

Novenario, M.J., Jensen, H.H., and Otto, D. (1998, May). Local economic impacts of welfare reform in Iowa: A state and local database. (CARD Staff Report 98-SR 86). Ames, IA: Iowa State University Center for Agricultural and Rural Development.

For the complete report, visit this Web site:

<http://www.extension.iastate.edu/Pages/pubs/reform.html>

IOWA STATE UNIVERSITY
University Extension

Helping Iowans become their best.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Stanley R. Johnson, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.

... and justice for all
The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

File: Economics 3