APPENDIX L. MONITORING THE EFFECTS OF PRE- AND POST-TANF WELFARE REFORM INITIATIVES

CONTENTS

INTRODUCTION AND SUMMARY OF FINDINGS

OVERVIEW

This appendix summarizes what has been learned from major welfare reform efforts since the mid-1980s to promote work and responsibility by parents of needy children who receive cash aid. During this period, two major Federal welfare reform laws were enacted, the Family Support Act of 1988 (Public Law 100–485) and the Personal Responsibility and Work Opportunity Reconciliation

Act of 1996 (Public Law 104–193). In addition, there were numerous State and local welfare reform initiatives.

Welfare programs and pilot projects have tested such reforms as work requirements, rewards and penalties, time limits on benefits, education and training provisions, and personal behavior provisions (for example, rules to promote marriage, school attendance, and immunization, and to penalize additional births). Some projects offered enriched support services. The object of this experimentation was to find out what was successful in achieving the goals of public assistance programs for needy families with children, especially the goal of self-support. Congress and welfare administrators wanted to know what worked and for whom and at what cost. Findings reported here are based primarily on programs and initiatives that preceded the 1996 law, which replaced the program of Aid to Families with Dependent Children (AFDC) and its Job Opportunities and Basic Skills (JOBS) Training Program with block grants for Temporary Assistance for Needy Families (TANF). The pre-1996 State reforms tested many policy changes now found in State TANF Programs.

The original (1935) purpose of AFDC was to encourage care of needy children in their homes. Over the years, the goal of aiding single-mother families changed, as the movement of American mothers into the work force changed perceptions of mothers' employability and as frustration mounted over the size and character of AFDC rolls. Added to the AFDC law in 1956 were the goals of strengthening family life and promoting "family self-support." To encourage self-support, Congress later created two work and training programs, the Work Incentive Program in 1967 and JOBS in 1988 (Family Support Act).

Initially, Congress permitted States to decide who must participate in the Work Incentive Program, but in 1971 it required States to register mothers unless they were caring for a child under age 6. In 1988, Congress tightened the work rule, exempting from JOBS mothers with a child under age 3 (and permitting States to require mothers to work upon the first birthday of their youngest child). The Reagan, Bush, and Clinton administrations gave many States permission to experiment with welfare by waiving specific AFDC rules. (These waivers allowed States to impose restrictions on the receipt of benefits, increase financial work incentives, and establish "personal responsibility" requirements for recipients.)

TANF has given States much more freedom to design their own programs. Many States have built their TANF Programs on elements of their waiver programs and some have converted their welfare-to-work waiver programs into their TANF Program. Thus, while the evaluations discussed in this appendix are primarily of programs that preceded the 1996 law, some of the findings reported in these evaluations have application to TANF Programs.

The 1996 law also broadened the goals of family welfare. TANF has four objectives: (1) enable needy parents to care for children in their homes; (2) end dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) prevent and reduce out-of-wedlock pregnancies; and (4) encourage formation and maintenance of two-parent families. Unlike JOBS, TANF makes no exemptions from work requirements, but it allows

States to exempt those with a child under age 1. States may exempt others if they wish, but those exempted must still be counted in the denominator when work participation requirements are calculated.

To learn from AFDC/JOBS/TANF Programs and experiments, Congress has mandated and supported national data collection efforts as well as evaluations of specific State or local initiatives. It has even authorized specific demonstrations, including major reform projects in Washington (Sec. 9121 of Public Law 100–203), New York (Sec. 9122 of Public Law 100–203), Minnesota (Sec. 8014 of Public Law 101–239), and Wisconsin (Sec. 233 of Public Law 103–432). All these projects included research designs. To help assess the effects of changes in welfare policy and programs, this appendix offers three complementary analyses from both national data sources and State or local research efforts.

1. The first is an analysis of national data about female-headed families with children, which provides the overall setting. It examines single mothers' receipt of welfare, their work, and their economic well-being. It describes national trends from 1987 to 1998, a period during which the national AFDC/TANF caseload soared to a historic peak in fiscal year 1994 and then dropped by nearly half by 1999. However, this analysis does not attribute changes over time in welfare receipt, employment, or economic well-being of single mothers in the general population to any cause, including welfare policy.
2. The second analysis is a synthesis of findings from evaluations of some of the State welfare reform initiatives. These evaluations examine the difference that policy changes made on selected outcomes, or their "impact." They do so by comparing outcomes, such as earnings and employment rates, under a set of new policies versus what would have occurred without those new policies. Though impact evaluations are designed to measure the effect a program has on selected outcomes, their results are most valid for the particular place and time in which the evaluation was conducted and the population examined in the study. These evaluations were conducted on programs begun before enactment of the 1996 welfare reform law, but many have implications for current TANF Programs.
3. The third analysis is an examination of studies of former cash welfare recipients (welfare "leavers"). Like the national data, these studies do not attribute their findings to welfare policy changes as they do not make comparisons with groups that were under prior policies. Nor do they cover the full population of interest. Nonetheless, they are a population of particular interest and "leaver studies" constitute the bulk of research available since enactment of TANF.

Summary of Findings

This appendix focuses on outcome measures, which are indicators of how families with children are faring. We focus on four categories of outcomes:

1. Welfare to work, including employment rates, earnings, welfare benefit amounts, and welfare recipiency rates;

2. Family formation and structure, including marriage rates, birth rates, and abortions;
3. Economic status, primarily measured by income, with supplementary information on consumption of goods and services and measures of material well-being and hardship; and
4. Child well-being, primarily measures of a child's development and behavior.

Welfare to work

The employment rate of single mothers rose steadily from 57 percent in 1992 to almost 71 percent in 1999 (chart L–5), and their employment rate now exceeds that of married mothers. The rise in work by single mothers is especially dramatic for those with a child under age 3; their employment rate was relatively flat (hovering around 35 percent) from 1988 until 1993, then turned upward and climbed to 56 percent by 1999 (chart L–6). At the same time, fewer mothers, even very poor ones, are receiving cash welfare. In the 1987–93 period, cash welfare was received by about 63 percent of mothers who were poor on the basis of pretransfer cash income; by 1998, the share dropped to 41 percent (chart L–3).

The overall trend of increasing work and declining welfare is consistent with policies that increase mandated work or job preparation for welfare mothers. Impact evaluations show the same trend. Evaluations find that mandatory welfare-to-work programs generally increase employment, and often also increase average earnings and decrease cash assistance payments. These findings apply both to programs with a strong employment focus ("work first") as well as to programs that provide education. Of course, the strong economy over this period also had a positive impact on the employment of single mothers.

Family formation and structure

The number of single-mother families increased from 8.4 million in 1989 to about 9.9 million in 1993, but remained relatively constant from 1993 to 1998, averaging between 9.8 and 10 million during those years (chart L–2). Some think this population ceased growing because of changed attitudes and policies, but reasons are unclear.

As noted above, one of TANF's goals is to promote formation and maintenance of two-parent families; another is to reduce out-of-wedlock pregnancies. In fiscal year 1996, the last full year of AFDC, 60 percent of AFDC children for whom data were available lived with a single parent who had not married the other parent, and 13 percent lived with two parents (25 percent were with a divorced or separated parent, and 2 percent with a widowed parent). Many of the evaluations did not examine family formation issues. The majority of pre-TANF evaluations of welfare initiatives that examine marriage report no impacts for single-parent families. Evaluators did find that the Minnesota Family Investment Program (MFIP) decreased the percentage of marriage breakup and increased the rate of marriage among single or cohabiting parents. One popular initiative aimed at reducing nonmarital pregnancies is adopting a family cap (paying no benefit or a reduced benefit for a new baby born to a mother already on welfare), but evaluations of programs that include family caps show inconclusive impacts. Evaluations of programs targeted on teenage AFDC mothers found no significant impacts on rates of pregnancies or childbearing.

Economic status

Overall, from 1987 to 1998, income has grown and poverty has decreased among mothers raising children alone (data from the Current Population Survey (CPS) of the U.S. Census Bureau). These trends reflect, in part, increased work and less reliance on welfare among these mothers. However, among the poorest mothers (the bottom 20 percent illustrated in chart L–9), income has fallen because these mothers have lost more in cash welfare and food stamps than they have gained in earnings and the earned income credit (EIC).

Many impact evaluations find that even welfare-to-work programs that succeed in moving recipients to jobs often do not raise family income. For instance, the National Evaluation of Welfare-to-Work Strategies (NEWWS), which covered 11 JOBS Programs in 7 sites, found no increases in combined income from earnings, cash assistance, and food stamps in the second year of the programs. In these programs, increases in earnings offset, but did not exceed, reductions in cash benefits and food stamps. However, the composition of income changed. A bigger share came from earnings, a smaller share from welfare.

However, programs that combine mandated participation in employment-focused activities with generous earnings disregards (which permit working recipients to keep more of their welfare benefits) have been effective in raising earnings and employment. Two of these programs (MFIP and Connecticut's Jobs First) with especially generous treatment of earnings and relatively high welfare payment levels have also raised total income of participants, and the MFIP Program reduced the incidence of poverty. However, their income gains have come at the cost of increasing welfare payments and prolonging the duration of welfare payments. Continued welfare receipt may convey continued health insurance through Medicaid for some participants. Because these programs allowed participants to keep more of their benefits while they worked, they could be said to increase "dependence" on welfare. However, because they decreased the share of participants who relied on welfare alone, they also could be said to decrease welfare dependence.

Studies of former welfare recipients conducted by the States ("leaver" studies) address the question of how those who have left welfare are faring. Most families who left TANF or AFDC waiver programs between 1995 and 1998 did so because of employment. In the quarter after exit, administrative data indicate that employment rates ranged from 50 to 64 percent. Among welfare leavers who worked, survey data indicate that average hourly wages ranged from $5.50 to $8.16. Average wages in these States are above the Federal minimum wage and are above the welfare guarantee (cash and food stamps) for the State. However, income from these wages alone would leave a family of three below the poverty level in most States. Within 1 year or at the time of the leaver study, from 13 to 36 percent of leavers had returned to welfare.

This count excludes "churners," persons who returned to welfare within 1 or 2 months of exit.

Measuring the economic well-being of a family raises some issues. The CPS uses reports of annual family income to measure income and poverty. However, analysis of income and spending data from the U.S. Bureau of Labor Statistics Consumer Expenditure Survey (CEX) shows that some of the poorest single mothers actually buy more in goods and services than would be supported by their income. This finding suggests that they have access to funds from sources other than reported income (e.g., borrowing, withdrawing savings, other family members, boyfriends, or informal support networks). Impact evaluations also encounter problems in measuring economic well-being. The most common measure is the combination of a program participant's earnings, cash welfare, and food stamps. This approach ignores the income of other household members (e.g., husbands, boyfriends, roommates) who might pool their economic resources with the participant, as well as other sources of income such as Social Security or Supplemental Security Income (SSI). Leaver studies have begun to report measures that examine whether welfare leavers have experienced any types of "hardship." Measures of hardship have included receipt of other types of assistance to complement earnings, as well as measures that examine difficulties experienced since exiting cash welfare.

Child well-being

In recent years, the proportion of AFDC/TANF adults who work has more than doubled, from 11 percent in fiscal year 1996 to 23 percent in fiscal year 1998, and there is growing interest in how increased work by these parents affects their children. The NEWWS evaluation found small and conflicting impacts, or no impact at all, on various measures of child well-being for respondents with only school-aged children. For instance, 4 of the 11 programs were reported to increase the percentage of children who attended a special class for behavioral or emotional problems; 2 of the programs were reported to decrease this percentage. The MFIP Program that increased family income was found to decrease the incidence of problem behaviors; it also improved school performance. The New Hope Program in Milwaukee, which failed to increase family income, was found to improve the behavior of boys, but to increase aggression among girls.

IMPLICATIONS FOR TANF

Findings presented in this appendix indicate that ending dependence on government benefits through job preparation, work, and marriage—the second objective of TANF—may be an elusive goal. Available evaluations generally show that welfare initiatives have little or no impact on marriage. And although welfare-to-work programs generally increase earnings and employment, they do not necessarily end dependence and raise income. Programs that increase incomes instead have been found to reduce dependence on welfare; they continue at least partial welfare payments when recipients go to work. Evaluations indicate that, at least in the short run, many TANF recipients will be unable to escape poverty through work unless taxpayers provide an earnings supplement of some kind (see table 7–12 in section 7).

TANF's lifetime time limit on eligibility for federally funded assistance conflicts with enhanced earnings disregards. The time limit may induce some persons to leave welfare quickly and "bank" welfare months for later use in time of need (although research has not found this effect), but generous earnings disregards are an incentive to remain on welfare while working. The disregards permit recipients to increase income by combining work with a reduced welfare grant. Generous earnings disregards also are an incentive to join the rolls, and they may reward persons who would have worked anyway, even if all earnings were used to reduce the grant. Eventually, when a family reaches the Federal time limit, the State can no longer pay an earnings supplement unless it uses its own funds to pay the cost (or grants the family a hardship time limit extension, within a Federal caseload cap set in the law).

Under TANF, the $16.5 billion of Federal funding received by States for aid to needy families is fixed each year through fiscal year 2002. Federal welfare funding no longer is a function of the caseload size, the benefit levels paid, the generosity or stringency of program rules, or the State's relative per capita income. Because the national TANF caseload now is only about half the size of the record-large AFDC caseload on which the fixed block grant is based, States generally have available much larger Federal funding per welfare family than before TANF. States may use these funds for a wide array of aid and services, not restricted to cash recipients, provided they are related to one of TANF's goals.

Rules about State funding have changed under TANF and also give the States more discretion. No longer do States have to pay a specified share of benefit expenditures, depending on per capita income, and a flat share of administrative costs. Instead, they must meet a "maintenance-of-effort" requirement of 75 or 80 percent of their spending in a recent baseline year ($10.4 billion yearly, or $11.1 billion if they fail work participation rates). These amounts are below fiscal year 1994 State AFDC/JOBS spending levels by 25 percent and 20 percent, respectively.

Many welfare reform initiatives, such as the operation of a welfare-to-work program, cost Federal and State governments money. The costs of welfare reform initiatives can be recouped if over the long run welfare payments are reduced. Employment-focused ("work first") programs, on average, have lower costs than those that promote education. Thus, it is more likely that costs of a "work first" program can be recouped than those of an education-focused program. Moreover, the benefits from a "work first" program tend to be immediate, while those from an education-focused program take time to emerge. Additionally, earnings supplements that encourage work and raise incomes also cost money; they prolong the duration of welfare.

Fixed funding is often viewed as an incentive for States to operate less expensive programs. However, the TANF Block Grant is fixed at a level based on historically high caseloads. Should caseloads remain down, States would continue to have the resources to engage in more costly welfare initiatives, as many of them appear to be doing now.

ECONOMIC STATUS OF SINGLE-MOTHER FAMILIES

OVERVIEW

This section examines trends in welfare, work, and economic well-being among families headed by single mothers, the group that is the main focus of TANF Programs. The analyses use national household survey data, specifically, the U.S. Census Bureau's March CPS and the Bureau of Labor Statistics' CEX. CPS data were examined from March 1988 (income year 1987) to March 1999 (income year 1998). CEX data were examined from 1994 through 1997. (The most recent year for which public use files were available in early 2000, when this analysis was completed, was 1997.)

The analyses seek to describe the changing circumstances of single mothers over the period, but do not attempt to isolate the effects of particular policy changes or to ascribe causation. These analyses are presented to provide background and context for the subsequent discussions of research focused specifically on welfare reform initiatives. Given the precision of estimates obtained from the CPS and CEX, this section focuses primarily on overall trends, rather than specific year-to-year changes.

The number of single mothers grew by 17 percent over the 4-year period from 1989 to 1993, but has since leveled off and remained at around 10 million (chart L–2). Dramatic changes in work, welfare, and poverty among this population have occurred in recent years, especially since 1992–93, as detailed in the following charts. Highlights include:

—The percentage of single mothers who worked at some time during the year rose from 67 percent in 1992 to 80 percent in 1998 (chart L–1). By March 1998, the employment rate for single mothers with children under age 18 surpassed that of comparable married mothers (chart L–5). Employment gains have been greatest for single mothers with children under age 3 (chart L–6).

—The percentage of single mothers who received cash welfare, based on CPS data, shrank from 35 percent in 1993 to 19 percent in 1998 (chart L–1).

—The percentage of poor single mothers (on the basis of pretransfer income) who reported receiving cash welfare declined from 63 percent in 1993 to 41 percent in 1998 (chart L–3). Declines occurred even among those with very low pretransfer income (e.g., below 25 percent of poverty) (chart L–4).

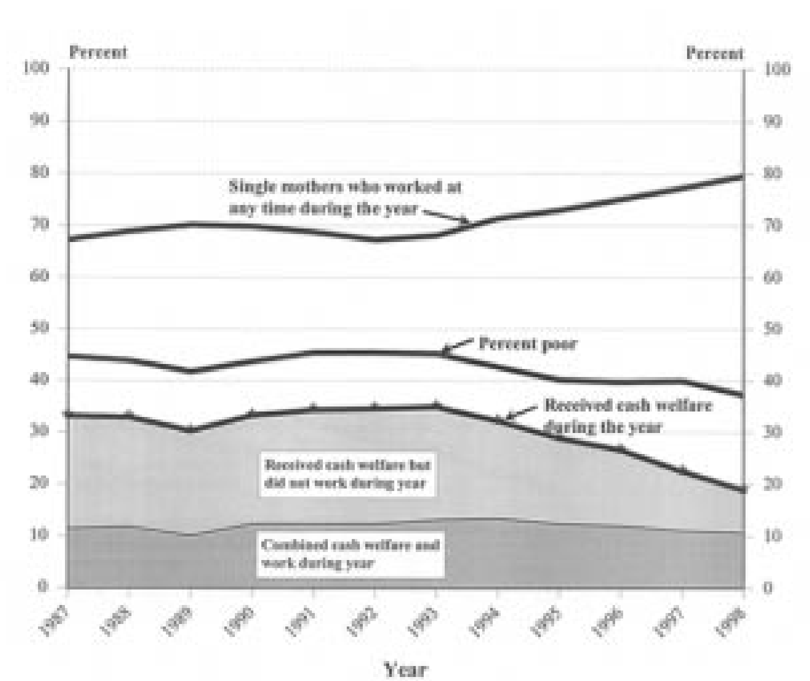
—The percentage of single mothers who were poor based on money income, after cash transfers (the official poverty measure), declined from 45 percent in 1993 to 37 percent in 1998 (chart L–1 and chart L–8). If in-kind food assistance and the EIC (net of taxes) were counted as income, the poverty rate would have dropped from 41 percent in 1993 to below 30 percent in 1998 (chart L–8).

—1997 marked a transition year in which, for the first time over the period examined, the share of poor single mothers who worked during the year exceeded those who received welfare (chart L–7).

—Average total income of single mothers in the bottom quintile declined from 1994 to 1998, despite a gain of $1,005 in net earnings and EIC transfers, because of a greater decline ($1,788) in cash welfare and food stamps (chart L–10). However, in the second lowest quintile, gains in earnings and the EIC by single mothers offset declines in cash welfare and food stamps, resulting in higher total income in 1998 than at any time during the preceding 11 years for this subset of the population (chart L–11).

—Between 1994 and 1997, consumption expenditures for single-mother families grew at a robust rate: 18 percent over the period, much higher than the increase in prices over the same period (8 percent). Some of this increase is attributable to work-related expenses (transportation, child care, payroll taxes), as welfare receipt decreased and work increased (table L–1). Consumption expenditures increased even for the poorest single mothers (chart L–12).

CHART L–1. WELFARE, WORK AND POVERTY STATUS AMONG SINGLE MOTHERS, 1987–98

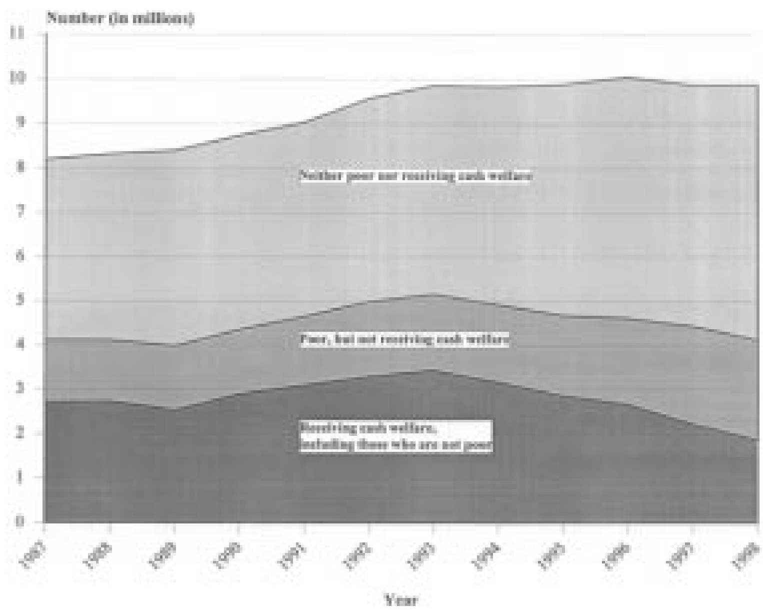


Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

Cash Welfare Receipt

CPS data show an increase in cash welfare receipt (AFDC, TANF, or other assistance) among single mothers during the late 1980s and early 1990s and a decrease in the mid-to-late 1990s that corresponds to the caseload rise and fall documented by administrative data. Chart L–2 shows that the total number of single mothers increased from 8.4 million in 1989, to about 9.9 million in 1993, an increase of 1.5 million, or 17 percent. Since 1993, the number of single mothers has remained fairly stable, between 9.8 and 10 million, but the number of single mothers receiving cash welfare has fallen each year.

CHART L–2. SINGLE MOTHERS: POVERTY AND CASH WELFARE RECEIPT, 1987–98

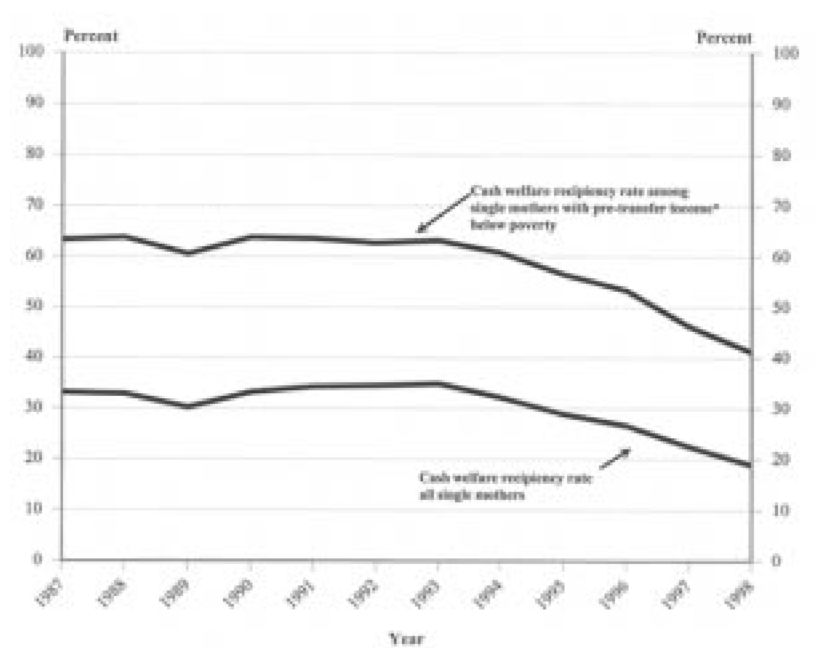


Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

The number of single mothers in families receiving cash welfare increased from 2.5 million in 1989, to 3.4 million in 1993, an increase of 900,000, or 36 percent over the 4-year period. Since 1993, the number of single mothers reporting cash welfare has fallen to 1.9 million (a 44 percent decline). Over the same period, the number of poor single mothers who reported receiving no cash welfare increased by 532,000, from 1.721 million in 1993 to 2.253 million in 1998 (the middle shaded area shown in chart L–2).

Chart L–3 shows that cash welfare recipiency rates among single mothers overall, and among poor single mothers based on their pretransfer income (cash income excluding cash welfare), remained fairly steady during the 1987–93 period, but have fallen considerably since. Among single mothers who were poor based on their pretransfer cash income, the share who received cash welfare generally hovered around 63 percent over the 1987–93 period. As the chart shows, the likelihood of cash welfare receipt has decreased since 1993 among this population. In 1993, the cash welfare recipiency rate among single mothers with pretransfer income below poverty was 63 percent; by 1998, it had fallen to 41 percent.

CHART L–3. SINGLE MOTHERS: CASH WELFARE RECIPIENCY RATES, 1987–98

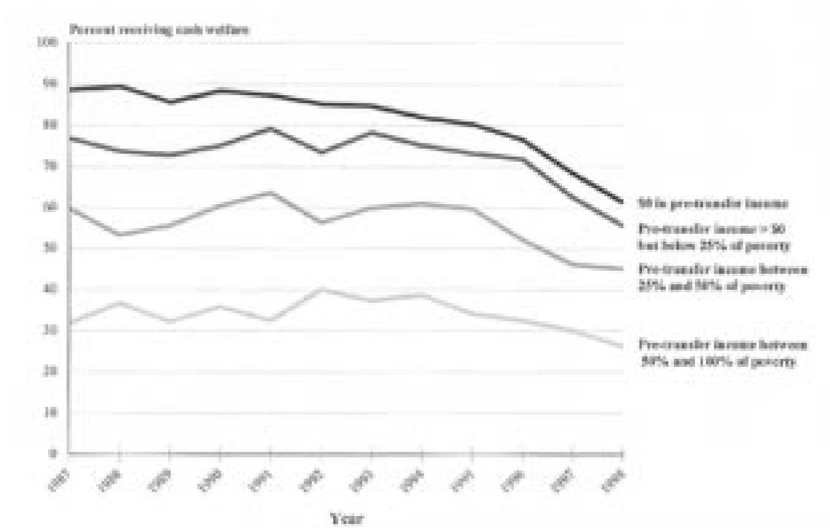


* Pretransfer income is cash income other than cash welfare payments.

Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

Chart L–4 shows cash welfare recipiency rates based on families' pretransfer (i.e., precash welfare) income relative to poverty. The top line of the chart depicts the share of single mothers without other income who reported receiving cash welfare. The line shows that nearly 90 percent of single mothers with no pretransfer income reported receiving cash assistance in 1987–90. However, since 1990, the reported rate of cash welfare recipiency for this group has continuously declined, to 77 percent in 1996, and to 61 percent by 1998. Similarly, for families with very low pretransfer income (below 25 percent of poverty), and for families with pretransfer incomes between 25 and 50 percent of poverty, cash welfare recipiency also shows dramatic declines: for the former group from 72 percent in 1996 to 56 percent in 1998, and for the latter group from 60 percent in 1995 to 45 percent in 1998.

CHART L–4. CASH WELFARE RECIPIENCY RATES AMONG SINGLE-MOTHER FAMILIES BY PRETRANSFER INCOME POVERTY STATUS, 1987–98



Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

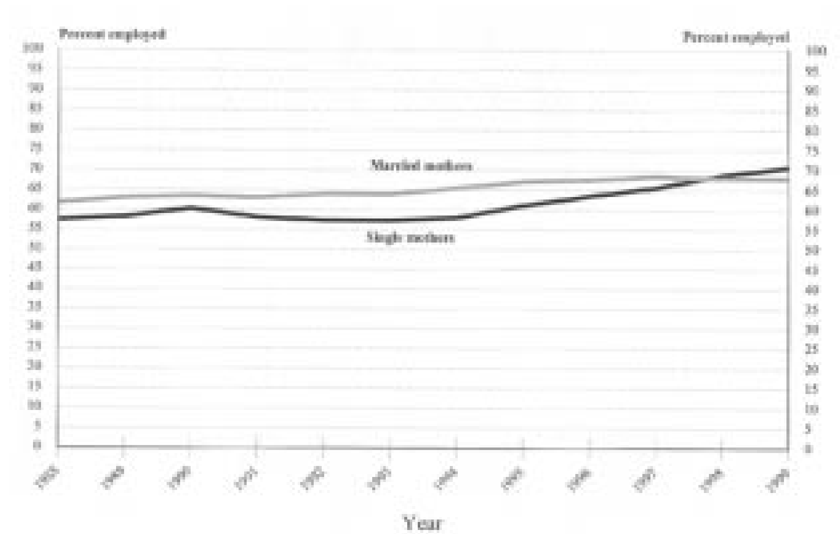
Likewise, food stamp recipiency rates among low-income households have also fallen considerably since 1994. In 1994, 71 percent of single-mother families with household income below 130 percent of poverty (the Food Stamp Program's gross income qualifying limit) reported receiving food stamp benefits; by 1998, the share fell to 57 percent. Among those with household incomes below 50 percent of the low-household income threshold, in 1994, 80 percent reported food stamp receipt; in 1998, 70 percent reported food stamp receipt.

Rates of Employment

While welfare receipt has declined, dramatic gains in single mothers' employment have occurred since 1994. Chart L–5 shows that for most of the period shown, the employment rate for single mothers with children under the age of 18 was below that of comparable married mothers. However, by March 1998, the employment rate of single mothers surpassed that of married mothers. The employment rate among single mothers rose steadily from a recent low of about 57 percent in March 1992 and 1993, to about 71 percent in March 1999.

Most dramatic has been the increase in employment among single mothers who have a child under the age of 3; their employment rate increased from a recent low of 35.1 percent in March 1993 (18.1 percentage points below the rate for married mothers) to a high of 55.8 percent in March 1999 (just 1.2 percentage points below their married counterparts) (chart L–6). Single mothers with a youngest child age 3–5 also experienced marked employment gains over the mid-to-late 1990s. Their employment rate grew from a recent low of 54.1 percent in March 1992, to 69.8 percent by March 1999, a 15.7 percentage point increase, surpassing that of their married counterparts by 6.7 percentage points (not shown). Single mothers whose youngest child was of school age (age 6–17) had employment rates about equal to those of their married counterparts over the 1988–99 period (not shown).

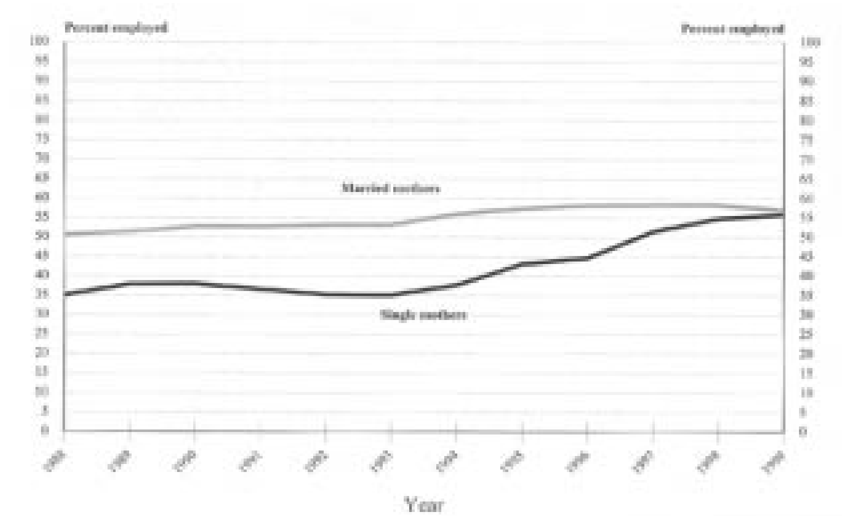
CHART L–5. EMPLOYMENT RATES OF MARRIED AND SINGLE MOTHERS WITH CHILDREN UNDER AGE 18, MARCH 1988–MARCH 1999



Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

The healthy economy, combined with a transformed welfare system, improvements in the EIC, and increases in the minimum wage, are among the factors thought to have encouraged work among single mothers in recent years. TANF, and the AFDC waivers that preceded it, transformed cash assistance from a needs-based entitlement to a program of temporary assistance, encouraging work and personal responsibility. Imposition of work requirements, time limits, and sanctions, and in some States, more generous earnings disregards, all serve to encourage work, either in lieu of welfare, or for a temporary period, in conjunction with welfare. The EIC, which is conditioned on earnings, is thought to encourage work among most groups, especially single parents who were not working, or who were marginally attached to the labor market. Increases in the EIC, passed by Congress in 1993 and phased in between 1994 and 1996, have increased the financial incentive for many single mothers to work. Other factors, such as increased funding for child care subsidies, may also have contributed to making work possible for more single mothers.

CHART L–6. EMPLOYMENT RATES OF MARRIED AND SINGLE MOTHERS WITH CHILDREN UNDER AGE 3, MARCH 1988–MARCH 1999



Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

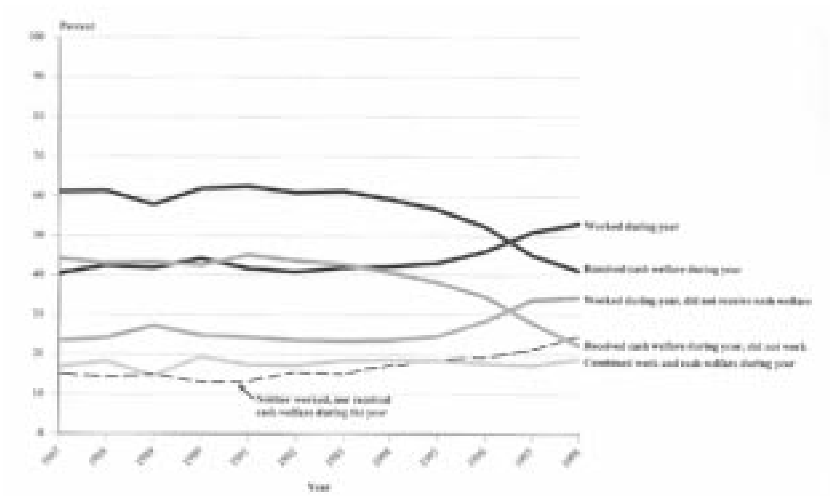
WORK AND WELFARE AMONG POOR SINGLE MOTHERS

As shown in the previous section, poor single mothers are less likely to be receiving cash welfare than in previous years. Likewise, like all single mothers, poor single mothers are now more likely to be working. Changes in poor mothers' participation in work and welfare first became evident in the early-to-mid 1990s, with rates of welfare receipt declining after 1993, and rates of employment increasing after 1992 (see chart L–7, top 2 lines). A crossover point was reached between 1996 and 1997, when the chances that a poor single mother would be working exceeded the chances that she would be receiving welfare.

Chart L–7 shows that the share of poor single mothers who received cash welfare at any time during the year fell from about 60 percent in the 1987–93 period, to just over 40 percent in 1998. The rate of decline in welfare receipt among poor single mothers was greatest between 1996 and 1997, a period coinciding with the passage and implementation of national welfare reform legislation. Similarly, the share of poor single mothers who were working at any time during the year increased from just above 40 percent in 1992, to about 53 percent in 1998, with the greatest increases occurring in 1996 and 1997.

The share of poor single mothers who relied on cash welfare without working dropped from a peak of 45 percent in 1991, to about 22 percent in 1998, while the share who worked without relying on cash welfare has increased from a recent low of about 23 percent in 1993, to just above 34 percent in 1998. Most of the increase in work without welfare occurred in 1996 and 1997. The share of poor single mothers who combined work and welfare over the year has remained relatively constant, between 17 and 19 percent, except for 1 year (1989, when the share was about 15 percent).

CHART L–7. POOR SINGLE MOTHERS: WORK AND WELFARE STATUS DURING THE YEAR, 1987–98



Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

The share of poor single mothers who reported that they neither worked, nor received cash welfare during the year (the dashed line in chart L–7), has increased each year since 1993 (15.2 percent), reaching nearly 25 percent in 1998. This surprising combination may reflect a mix of circumstances, including income or support from other sources such as family members, support from unrelated household members (which is not included in the official poverty measure), and other means of support from outside the household not counted on the CPS. It may also reflect income reporting problems on the CPS, especially with regard to welfare income.[1] Finally, welfare sanction and diversion policies may have contributed to the increased number of poor mothers neither working nor receiving welfare.

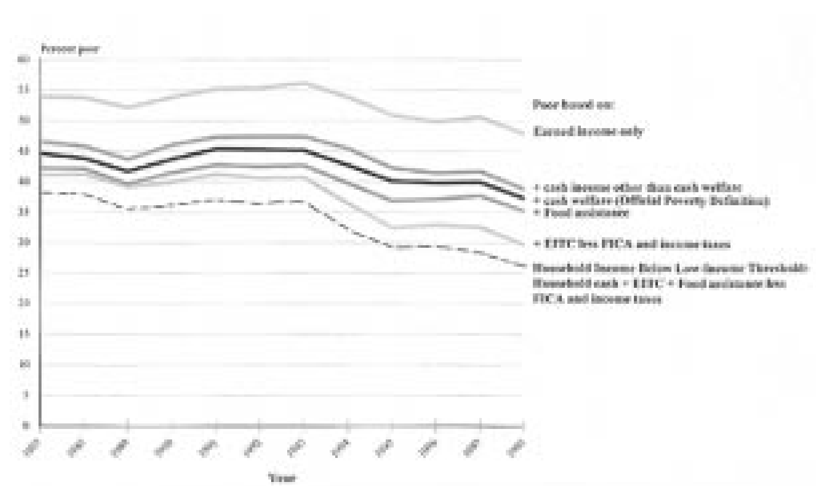
[1] A comparison of AFDC/TANF administrative statistics and CPS-estimated caseload counts suggests that the CPS undercounts actual cases, and that the CPS undercount has worsened in recent years. From 1987 to 1991, the CPS accounted for roughly 80 percent of the AFDC administrative caseload count, but by 1998 the CPS was capturing only about 64 percent. Worsened reporting of cash welfare on the CPS makes it difficult to gauge how much of the drop in welfare receipt among single mothers represents eligible families who do not receive assistance, rather than families who do not report actual welfare aid on the CPS. To at least some extent, the declining welfare recipiency rates discussed in this section are likely due to increased underreporting of cash welfare on the CPS. See Bavier (2000) for a detailed discussion of cash welfare underreporting on the CPS and other surveys.

EFFECTS OF EARNINGS, TRANSFERS, AND TAXES ON SINGLE MOTHERS' POVERTY

As shown in chart L–1, single mothers' poverty status has improved since 1993. Changes in the economy and changes in welfare policy and other programs, such as the EIC, have both direct and indirect effects on poverty. However, the official U.S. poverty measure counts only family cash income (excluding capital gains and lump-sum or one-time payments) against a family's poverty threshold, which varies by family size and composition, to determine whether a family is counted as poor. The definition does not include the value of in-kind benefits, such as food stamps, school lunches, or public housing subsidies, nor does it include the effects of taxes or tax credits such as the EIC. Inclusion of in-kind benefits and the EIC provides a more comprehensive income definition than the official definition. Additionally, other unrelated household members may contribute to the family's economic well-being, but determining the extent to which resources are shared among unrelated household members is often difficult.

Chart L–8 shows the effects of income from these other sources on poverty among all single mothers. Components of family income are sequentially added and measured against families' poverty thresholds, as one moves from the top line of the chart to subsequent lines below:

CHART L–8. EFFECTS OF EARNINGS, TRANSFERS, AND TAXES ON FAMILY POVERTY AND HOUSEHOLD LOW-INCOME STATUS ON SINGLE MOTHERS, 1987–98



Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

—Line 1: The top line shows the percent of single mothers who would be counted as poor if only family earnings were counted against the poverty line.

—Line 2: The second line down includes other sources of cash income, in addition to earnings, that were already counted above. However, this line does not include cash welfare.
—Line 3: The third line down adds cash welfare to the other sources already mentioned, and with those sources, represents the income definition used in the official poverty measure.
—Line 4: The fourth line down shows the value of in-kind food assistance (i.e., food stamps, free and reduced price school lunches, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) payments) when added to cash income and compared to the family poverty threshold.
—Line 5: The fifth line down shows the effect of adding the value of the EIC, less Federal and State income taxes and payroll taxes, to line 4.
—Line 6: The bottom (dashed) line shows the effects of counting all income in the household in which the single mother lives, not just that of her own family, and comparing it to an unofficial "household low-income threshold." The household low-income threshold used here applies family poverty income thresholds, which are based on family size and composition, to households, based on household size and composition. It must be noted that official poverty measurement is based on a family concept, which assumes that family members share income and economies of scale that result from shared living arrangements. It is generally agreed among researchers that assumptions regarding income sharing and shared economies of scale among related family members, who have ties based on blood, marriage, and adoption, do not apply to the same extent among unrelated household members. Consequently, these estimates of household low-income status likely overstate the effect of household income on reducing poverty among families headed by single mothers.

In viewing chart L–8, note that the trend in earnings is the principal factor affecting the declining trend in poverty, whereas the other income sources, with the exception of the EIC, affect the level of poverty, more than its trend over time. Evidence of this effect is that most lines in the chart, with the exception of the EIC, roughly run parallel to the ones above.

Effect of earnings and other nonwelfare cash income on poverty

Chart L–8 shows that between 1993 and 1998, single mothers' poverty, based on family earnings alone, fell from 56.2 percent to 47.9 percent (line 1). Adding other cash income, except cash welfare, to family earnings (line 2), reduces poverty in 1993 from 56.2 percent to 47.4 percent, and in 1998, from 47.9 percent to 38.8 percent.

Effect of cash welfare on poverty

When added to other income, cash welfare benefits have only a small impact on the poverty rate, as these benefits generally are not sufficient, even when combined with other cash income, to lift families above the Federal poverty threshold. As shown by table 7–13 (breakeven points) in section 7, in all but eight States, Temporary Assistance for Needy Families (TANF) families that go to work lose eligibility for benefits before earnings reach the poverty line, usually long before. Consequently, cash welfare benefits have little impact on the poverty rate. The addition of cash welfare (line 3, representing the official income definition for measuring poverty) reduces poverty only slightly, from 47.4 percent (line 2) to 45.2 percent in 1993, and from 38.8 percent to 37.3 percent in 1998. Nonetheless, cash welfare benefits can have a significant impact on the level of poor families' incomes, affecting the degree to which their incomes fall below the poverty income standard. This impact is not captured by changes in the poverty rate.

Effect of in-kind food assistance on poverty

The fourth line from the top in chart L–8 shows the effect on the poverty rate of single mothers by counting government food assistance, in the form of food stamp benefits and school lunch benefits and WIC payments. The line shows that food assistance reduces the poverty rate of single mothers from about 2–3 percentage points over the period. The antipoverty effectiveness of food assistance seems to have lessened somewhat in recent years. In 1995, food assistance reduced the poverty rate from 40.2 percent (its official measure) to 36.9 percent, a 3.3 percentage point (8.1 percent) reduction in poverty. In 1998, food assistance reduced the poverty rate from its official rate of 37.3 percent, to 35.2 percent, a 2.1 percentage point (5.6 percent) reduction.

Effect of EIC and taxes on poverty

As noted above, the net effect of the EIC (after counting the effect of reductions in income from Federal and State income taxes and FICA taxes) (line 5), when added to total family cash income and food assistance (line 4), causes a divergence in trend from the lines above. This is especially notable after 1993. A major expansion of the EIC, passed by Congress in 1993 and phased in between 1994 and 1996, increased the amount of the EIC work bonus families might receive. The antipoverty effectiveness of the EIC was approximately three times greater in 1998 than in 1993. In 1993, the EIC reduced the poverty rate (counting food assistance) among single mothers from 42.7 percent (line 4), to 40.7 percent (line 5), a 2.0 percentage point (4.6 percent) reduction. In 1998, the EIC reduced poverty from 35.2 percent to 29.7 percent, a 5.5 percentage point (15.7 percent) reduction.[2]

As receipt of the EIC is conditioned on earnings, the growing impact of the EIC in part reflects the rise in work rates among single mothers. Among those who are working and poor (before counting the EIC), the EIC helps lift the income of some above the poverty line. Although the EIC expansion provided additional income to low-income families who were already working, it may also have helped induce increased employment among family heads with low to moderate earnings potential, and thus contributed to the decline in poverty based on earned income only that has occurred since 1993 (shown as the top line in the chart).

[2] Note that the value of the EIC on the CPS is based on U.S. Census Bureau imputations, rather than actual reported tax credits. Also, the EIC is different than most sources of income, as most families receive the EIC as a lump-sum refund.

Note too, that to the extent that changes in cash welfare programs in recent years have encouraged work, these changes may have had an indirect effect on poverty by increasing earnings and, through earnings, making the EIC available to a greater number of families.

Effect of all household income on poverty

The household low-income line (bottom line) shows that if all household members' income were shared equally among household members, the poverty rate among single mothers would drop by at most 3–4 percentage points over the 1987–98 period. Adding other members' household income, and counting them as though they were family members who shared income equally, reduced the post-in-kind transfer, posttax, poverty rate in 1993 from 40.7 percent to 36.8 percent; in 1998 the post-in-kind transfer, posttax, poverty rate would have dropped from 29.7 percent to 26.2 percent. Again, this is most likely an overstatement of the possible effect that shared household living arrangements might have on single mothers' poverty status, because of uncertainty about the extent to which such income is actually shared.

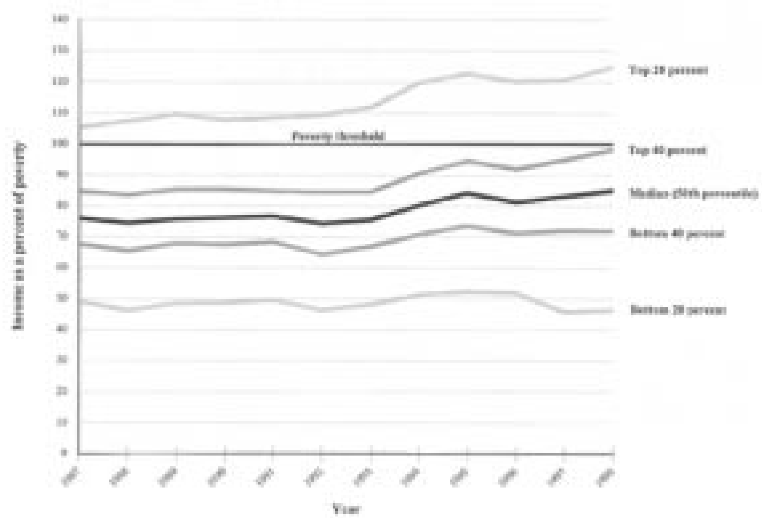
EARNINGS-POOR SINGLE MOTHERS AFTER TAXES AND TRANSFERS

This section focuses specifically on single mothers with family incomes below poverty, based on family earnings alone, to gauge the effects of other income, transfers and taxes over time. This group, shown in the top line in chart L–8 for the 1987–98 period, accounted for about half of all single mothers. Chart L–9 shows their distribution, relative to the poverty threshold, after cash income from all sources, in-kind food assistance, and taxes (including the EIC) is taken into account. Unlike chart L–8 above, which simply measured whether income was below poverty, chart L–9 examines the degree of poverty after taxes and transfers, for families defined as poor based on family earnings alone. The chart includes families with no earnings, as well as those who have earnings but whose earnings fall below poverty.

The chart shows that while the majority of "earnings-poor" single mothers have seen improvements in income relative to poverty since 1991, the improvement occurred mostly in 1994 and 1995 (although it continued after a slight decline in 1996). Since 1996, the bottom 40 percent of these single mothers have seen no improvement in their income relative to poverty, and the bottom 20 percent have actually seen declines in their income status relative to poverty.

The chart shows, for example, that over the 1987–98 period, the top 20 percent of single mothers who were poor based on earnings alone had income from other sources that helped bring their families' incomes above the poverty line. Over the period, these families became somewhat more economically secure: in 1987, the top 20 percent of earnings-poor mothers had a net in-kind aftertax income that was 5 percent or more above the poverty line. By 1998, the top 20 percent of earnings-poor single mothers had net income that was 25 percent or more above poverty. The chart shows strong net income gains relative to poverty among earnings-poor single mothers over the 1993–95 period, followed by a slight decline in 1996, for all but the bottom 20 percent of mothers. Since 1996, mothers in the top half of the distribution show income gains relative to poverty. However, those in the bottom 40 percent show no gain in income security since 1996, and those in the bottom 20 percent show a decline in their level of income security. The bottom 20 percent of earnings-poor single mothers show a comparatively large decline in net income relative to poverty in 1997 (from 52 percent of poverty in 1996, to 46 percent of poverty in 1997 and 1998).

CHART L–9. POSTTAX POST-IN-KIND TRANSFER INCOME AS A PERCENT OF POVERTY AMONG SINGLE MOTHERS CONSIDERED POOR BASED ON FAMILY EARNINGS ALONE, 1987–98



Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

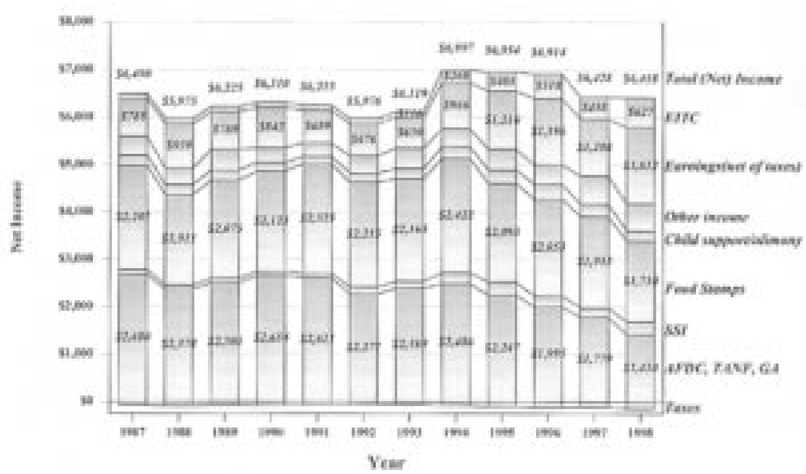
Income Sources Among Poorest Single Mothers [3]

The composition and level of income among the poorest single-mother families has changed markedly in recent years, reflecting increased earnings supplemented by increased earned income credits (EIC) and reductions in cash welfare and food stamps. For single mothers in the bottom fifth (bottom quintile), increased earnings and EIC have not been sufficient in recent years to offset losses in cash welfare and food stamps, resulting in reduced income since 1996. Families in the bottom 20–40 percent (second quintile) also received less cash welfare and food stamps in recent years, but in 1998, increased earnings and EIC were sufficient to offset these losses.

[3] In addition to the analysis which follows, see: Primus, et al. (1999); Bavier (1999); and Haskins (in press) for other research discussing recent declines in income among the poorest families.

Charts L–10 and L–11 examine sources of income among the bottom quintile (bottom 20 percent) and the second lowest quintile (bottom 20–40 percent) of single-mother families, respectively, based on their pretax cash income relative to poverty. The charts show the average annual income, in 1998 dollars, from the following sources: cash public assistance (Aid to Families with Dependent Children (AFDC), TANF, and general assistance); Supplemental Security Income (SSI); food stamps (market value); child support and alimony; other cash income other than earnings; net earnings (earnings net of the employee share of FICA payroll taxes and any Federal or State income taxes); and the EIC. The employee share of FICA payroll taxes, and any Federal or State income tax payments are also shown as negative values. Note that these estimates are based on year-to-year income comparisons of cross-sectional survey data, rather than a comparison of incomes for the same families over time.

CHART L–10. BOTTOM QUINTILE OF SINGLE-MOTHER FAMILIES: AVERAGE ANNUAL INCOME BY SOURCE, 1987–98 (IN 1998 DOLLARS)



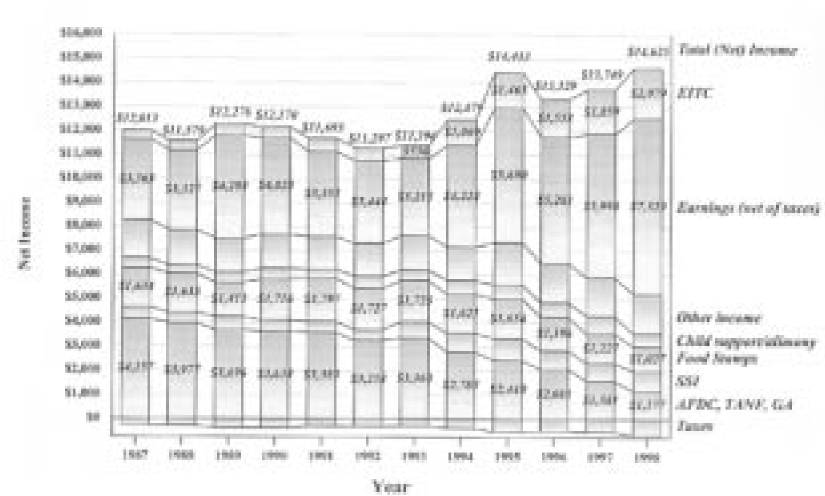
Note.—Quintiles based on ranking of ratios of family cash, pretax income, relative to poverty. Taxes include Federal and State income taxes and FICA taxes.

Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

Chart L–10 shows an upsurge in annual average income among single mothers in the bottom quintile, from 1993 to 1994. Average total income increased from $6,119 to $6,997; an increase of $878, or 14 percent. Components of the increase were: cash public assistance, $97 (4 percent); food stamps, $257 (12 percent); SSI, $84 (56 percent); net earnings, $316 (50 percent); and EIC, $152 (131 percent).

From 1994 through 1996, average total income among the bottom quintile of single-mother families remained essentially unchanged, drifting down slightly perhaps, despite dramatic changes in its composition. In 1995 and 1996, earnings of single mothers in the bottom quintile continued to increase, as did EIC, while cash assistance (AFDC and general assistance) and food stamps fell. The growing importance of the EIC as an earnings supplement over the 1994–96 period can be illustrated by examining the average EIC as a share of average earnings. From 1993 to 1996, the EIC "work bonus" had doubled, from 18 percent to 37 percent of earnings.

CHART L–11. SECOND QUINTILE OF SINGLE-MOTHER FAMILIES: AVERAGE ANNUAL INCOME BY SOURCE, 1987–98 (IN 1998 DOLLARS)



Note.—Quintiles based on ranking of ratios of family cash, pretax income, relative to poverty. Taxes include Federal and State income taxes and FICA taxes.

Source: Prepared by the Congressional Research Service. Based on analysis of U.S. Census Bureau March 1988–99 Current Population Survey data.

Chart L–10 further shows that average cash welfare and food stamp benefits reported by single mothers in the bottom quintile continued to decline in 1997 and 1998, and that earnings combined with the EIC did not rise enough to offset this loss. As a result, average total family income for this population was lower in 1997–98 than in 1994–96; however, it was higher than in all years preceding 1994, with the exception of 1987. Average annual cash welfare assistance received by single mothers in the bottom quintile in 1998 was 43 percent below what this group had received, on average, in the most recent high year of 1994 ($1,410 versus $2,486). Food stamps for this group in 1998 were 29 percent below their 1994 value ($1,710 versus $2,422). In contrast, net earnings were 67 percent higher in 1998 than in 1994 ($1,612 versus $966), and nearly 2½ times higher than in 1993 ($1,612 versus $650). Nonetheless, while combined cash assistance and food stamps fell by $1,788 from 1994 to 1998, net earnings combined with EIC grew by $1,005, and offset only 56 percent of the loss in cash welfare and food stamps over the period.

Chart L–11 is similar to chart L–10, but shows average income by source for the second quintile of single-mother families, ranked by their income relative to poverty. The chart shows comparatively large gains in average total income from 1993 to 1995, due largely to increased earnings and EIC. Over this period, average total income increased from $11,396 to $14,433, a gain of nearly 27 percent. With the exception of 1996, average earnings for single mothers in the second quintile continued to grow; however, earnings and the EIC were insufficient to offset declines in cash assistance and food stamps in 1996 and 1997. From 1995 to 1997, combined earnings and EIC gains ($792) offset only 63 percent of the loss in combined cash assistance and food stamp benefits ($1,253) over the period.

By 1998, average total income among single mothers in the second quintile reached a new high. In 1998, earnings in combination with the EIC were more than offsetting the loss in combined cash assistance and food stamps that occurred over the 1995–98 period. The gain in average net earnings, in combination with EIC ($2,343), more than offset the $1,894 loss in combined cash assistance and food stamps. By 1998, average net earnings accounted for over half of these families' incomes ($7,329 in earnings out of a total net income of $14,625) and cash assistance ($1,177) accounted for just 8 percent. In contrast, in 1987, earnings accounted for about 28 percent of this group's income ($3,363 in earnings out of a total net income of $12,013) and cash assistance ($4,157) comprised about 35 percent. In 1998, average total income for families in the second quintile ($14,625) was nearly 22 percent above that in 1987 ($12,013).

CONSUMPTION EXPENDITURES

Though annual income information is the basis of most official measures of economic well-being (e.g., poverty statistics), it suffers some drawbacks. Income during any one period imperfectly measures the value of goods and services a family can consume, since families may liquidate savings, borrow money, or access some other sources of funds. This section presents information on consumer expenditures from the U.S. Bureau of Labor Statistics Consumer Expenditure Survey (CEX), as a complement to the preceding analysis of income data from the Current Population Survey (CPS). Consumption data are derived from the CEX, which has a relatively small sample size of 5,000 households, compared to the CPS which has a sample of 47,000 households. The small CEX sample size, relative to the CPS, means that data from the CPS are likely to be more reliable, and large year-to-year differences are required for changes estimated from the CEX to meet standard tests of statistical significance. Differences noted in the text met tests of statistical significance, using "replicate sample" techniques (Mosteller & Tukey, 1977).

Average consumption for single mothers

Table L–1 summarizes information on consumption expenditures, welfare receipt, and work for single-mother families from 1994 to

1997. The CPS data described above showed that poverty continued to decline for these families over these years. The CEX data show that consumer expenditures grew for this group over the period, by 18 percent. This is well above inflation during the 1994–97 period (8 percent). The CEX information, like the CPS data, shows a sharp decline in welfare receipt and an increase in work among single mothers over this period.

TABLE L–1.—CONSUMPTION EXPENDITURES, WELFARE RECEIPT, AND WORK EXPERIENCE FOR SINGLE-MOTHER FAMILIES, 1994–97

Category	Year				Percent change, 1994–97
	1994	1995	1996	1997	
Average consumption expenditures	$19,633	$19,830	$21,405	$23,245	18.4
Expenditures on "work-related" categories	4,136	4,361	5,050	5,178	25.2
Other consumption expenditures	15,497	15,469	16,355	18,068	16.6
Welfare receipt (percent)	33.9	32.8	23.2	20.3	−40.2
Average number of workers in family	0.93	0.92	1.00	1.02	9.8

Note.—Data are from quarterly interview surveys; quarterly expenditures have been annualized for purposes of display; year noted represents year of the interview; actual expenditures may have occurred in the prior year; dollars are not inflation-adjusted.

Source: Congressional Research Service tabulations of data from the U.S. Department of Labor, Bureau of Labor Statistics Consumer Expenditure Survey.

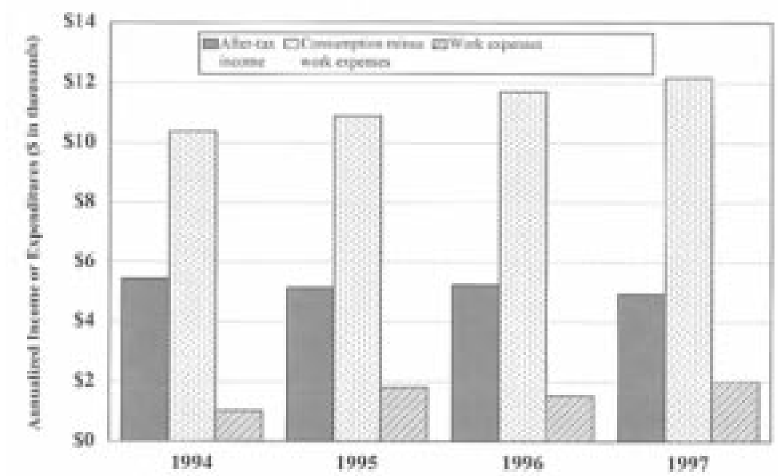
The table shows overall consumption expenditures for single-mother families but also divides consumption expenditures into: (1) a category that explicitly includes spending on items commonly associated with work (transportation, child care, and retirement contributions including the employee share of Social Security payroll taxes); and (2) all other expenditures (including expenditures to meet basic needs, such as food and shelter). As shown in the table, some of the overall increase in consumption expenditures for single mothers is attributable to work expenses. The work expenses category showed a 25 percent increase over the 1994–97 period, while other expenses grew by 17 percent. The increase in work expenses is consistent with other trends shown in the table, such as the decline in welfare receipt and increase in work.

Consumption expenditures for the poorest families

Analyses of national income surveys (for example, the CPS) have shown that income growth among the poorest single mothers stagnated after 1994. Information from the CEX also shows that income for the poorest one-fifth of single mothers has not grown since 1994 (the estimates actually show a decline in income, but that decline is too small to meet standard criteria of statistical significance). However, even among the poorest single-mother families, consumption expenditures have increased.

Chart L–12 shows aftertax income, consumption expenditures classified as work expenses, and other consumption expenditures for the bottom quintile of single-mother families during 1994–97. The chart shows that income remained relatively stable, while consumption expenditures—both those commonly thought of as work expenses and other consumption expenditures—increased.

CHART L–12. AFTERTAX INCOME, WORK EXPENSES, AND OTHER CONSUMPTION EXPENDITURES FOR THE POOREST FIFTH (INCOME QUINTILE) OF FEMALE-HEADED FAMILIES; 1994–97



Note.—Data are from quarterly interview surveys; quarterly expenditures have been annualized for purposes of display; year noted represents year of the interview, actual expenditures may have occurred in the prior year. Information is for ''complete income reporters'' only. Dollars are not inflation adjusted.

Source: Congressional Research Service tabulations of data from the U.S. Department of Labor, Bureau of Labor Statistics Consumer Expenditure Survey.

The chart also shows that, for the low-income population, reported consumption expenditures typically exceed reported incomes. Over the 1994–97 period, this gap appeared to grow. There are a number of possible explanations:

1. Some who have low incomes are temporarily poor. For those families that are experiencing a temporary dip in income, withdrawing savings can finance consumption expenditures that exceed income.
2. Some low-income people might access credit markets to pay for spending that exceeds income. Poor families increased their credit card debt in the early-to-mid 1990s (Bird et al., 1999) to a greater extent than other families. If this trend continued into the later 1990s, it could account for some of the growing gap in spending and income among the low-income population.
3. Income might be underreported relative to spending, particularly for certain types of income. Edin and Lein (1997) discuss various survival strategies that very low-income, single moth-

ers use to make ends meet: network-based or agency-based support, unreported work and work in the underground economy, and cash contributions from families, friends, boyfriends, or former spouses who live elsewhere. These latter types of "income" are unlikely to be reported as income on household surveys.

Interpreting the consumption data

This analysis of consumption expenditures complements, but does not substitute for, the analysis of income data presented earlier. However, its finding that many of the lowest income families can consume well above their income underscores the difficulties in measuring the economic well-being of single mothers and their families.

FINDINGS FROM IMPACT STUDIES OF WELFARE REFORM INITIATIVES

METHODOLOGY ISSUES IN IMPACT STUDIES

A large body of research on the effects of welfare reform initiatives is available from impact evaluations. Unlike the national data discussed above, which show trends in outcomes related to welfare reform but do not attribute these trends to any single cause, impact evaluations are designed to measure the difference a program makes on outcomes related to its goals. For example, a welfare-to-work program will be evaluated based on the difference between employment, earnings, and welfare receipt under the program versus the outcomes produced by an alternative set of policies. The focus of an impact evaluation is the incremental difference in outcomes observed under one set of policies versus another.

Random assignment experiments

There are a number of different techniques available to evaluate the impact of policy changes, but most evaluations conducted after the passage of the Family Support Act in 1988 used random assignment to experimental and control groups. These studies assign potential participants to two or more groups. Individuals assigned to a control group are subject to current policies (no policy change); individuals assigned to the experimental group (or groups) are subject to a different package of policy initiatives, such as time limits on assistance, or sanctions for failing to comply with a mandatory work requirement. Because individuals are randomly assigned to these groups, any differences between the experimental and control groups may be attributed to the policy initiative itself. This difference is therefore the impact of these policy changes.

For a policy to have an impact, it must be determined that the impact was not simply a chance occurrence. Differences between experimental and control groups that pass statistical significance tests are reported as policy impacts. Whether a difference is determined to be an impact generally depends on two factors: (1) the size of the difference between the experimental and control groups, and (2) the size of the sample in the evaluation. Impact evaluations with smaller research samples tend to report fewer impacts. In these smaller samples, the difference may need to be substantial in order to pass tests of statistical significance. On the other hand, impact evaluations with larger research samples tend to report more policy impacts.

Data used in impact evaluations

Most impact studies use one of two types of data: administrative data or survey data. Administrative data are those used in administering Federal-State transfer programs. They are sometimes used for research because it is possible to economically collect large amounts of data on individuals over time without the response errors that occur if participants are asked about their public assistance receipt or work activities. However, administrative data come from data systems used to determine eligibility and benefits, not systems designed specifically for research. Therefore, evaluators are limited to the outcomes collected as well as the format in which these outcomes are collected.

Welfare and food stamp receipt generally come from public assistance data files used to store information on a recipient household's characteristics, income, and benefit receipt. Employment and earnings information generally are from unemployment insurance (UI) wage files that track UI wages and taxes paid on behalf of an employee and are used to determine UI eligibility and benefits upon involuntary unemployment. These files do not collect information on all sources of employment, since the self-employed and Federal employees are not covered by the UI system. UI taxes and benefits are also based on quarters of earnings, and therefore UI wage files contain information only about quarterly earnings (not hourly wages, for example). Administrative data also do not capture information from outside the State. Therefore, if program participants move, their work and welfare activity are not going to be reflected in either the UI or public assistance administrative files.

Researchers also use survey data to examine the effects of policy changes. Unlike administrative data, the primary purpose of survey data, which is collected through telephone surveys, mail surveys, or in-person interviews, is evaluation. Therefore, surveys are designed by those involved in the evaluation effort to solicit information on the outcomes of interest to the evaluation team. In addition, compared to administrative data, the costs of collecting survey data are higher. Because it is usually not possible to survey every individual in the targeted population, surveys often focus on a representative sample of the population, with the goal of generalizing these results to the larger group. For these results to be generalized, a large majority of the survey sample must participate. While evaluation studies that measure the impact of welfare policies on those who remain on the welfare rolls often obtain data on most participants, studies of former welfare recipients almost always have trouble with missing data because it is difficult to find participants once they leave the program. Another concern with survey data is that individuals may fail to understand the questions asked or respond truthfully and accurately.

Interpreting impact evaluations

The findings of impact evaluations are most valid for the particular place, time, context, and policy examined in the study. Generally, more confidence can be placed in findings that are replicated in a number of different settings. The findings of a random assignment evaluation are also limited to the population studied. This is often smaller than the entire population that might be affected by a policy. Most random assignment evaluations of welfare policy changes examine only those already receiving or applying for assistance. However, welfare policy changes might affect those not receiving assistance by making welfare more or less attractive to them. Random assignment impact evaluations generally do not measure these "entry effects."

In general, evaluation studies of welfare policy changes measure the effect of a package of initiatives (for example, a State's AFDC waiver program), rather than the effect of a single policy initiative. Researchers interested in the effect of a specific policy initiative have turned to a more sophisticated method of analysis, often introducing a third comparison group. In the Minnesota Family Investment Program (MFIP) and the Vermont Welfare Restructuring Project (WRP), for example, participants in a third comparison group (besides the regular experimental and control groups) were subject to the same policy initiatives as the experimental group, but were also subject to an additional policy initiative (for example, a requirement to work after 6 months of assistance). With the same random assignment and basic assumptions, any observed differences between the two experimental groups may be attributed to the additional policy initiative.

Researchers have also used a third comparison group to evaluate an additional package of policy initiatives, an example being the National Evaluation of Welfare-to-Work Strategies (NEWWS). In the NEWWS design, the control group was subject to the former AFDC rules, one experimental group was subject to a package of work first initiatives and a second experimental group was subject to a package of basic education initiatives. Any observed differences between each of the experimental groups and the control group could be attributed to the different package of initiatives. The goal of this evaluation design was to measure the effect of a program that stressed work first versus a program that focused more specifically on education.

The limitations of random assignment experiments have led some to use alternative methods to estimate the impact of policy changes. A few evaluations have used a "quasi-experimental" design. While the experimental design allows researchers to evaluate the program's impact, measured as the difference between the experimental and control groups, the quasi-experimental design allows researchers to evaluate the program's what-if effect. This is measured by comparing outcomes, after implementation of the policy changes, to those that would have been expected without the policy change, using administrative data as a baseline. Statistical techniques are used to "control" for various factors that could affect the examined outcomes (these factors would be controlled for in the experimental design through random assignment). While quasi-experimental designs use administrative data and therefore allow for a much larger sample, results can be sensitive to the specific technique used as they rely on many assumptions.

Included studies

The remainder of this section presents results from a review of impact evaluations of programs undertaken since passage of the Family Support Act of 1988 that serve the cash welfare population and, in a few cases, other low-income individuals. The discussion focuses on evaluations available as of June 2000. The discussion is organized into four sections:

1. Welfare to work, which focuses on findings related to earnings, employment, and receipt of cash assistance;
2. Family formation and structure, which focuses on findings related to marital status and childbearing;
3. Economic status, which focuses on findings related to the overall income and well-being of single mothers including health assistance and child care; and
4. Child well-being, which focuses on findings related to child development, including academic achievement, behavior, and health status.

These categories were chosen based on the stated purposes of TANF, and on the types of outcomes evaluated in the studies. Each of the four sections begins with a background discussion of the relevant policy issues, highlights evaluations with noteworthy results, and provides a brief overview of evaluations that have reported information for outcomes relevant to that section. Since many of the evaluations examined impacts on several different outcomes (e.g., welfare to work and child well-being), the same evaluations are discussed in more than one of the four sections.

Most of these evaluations are based on pre-TANF policies. However, their results have informed the creation of TANF and many of the policy initiatives tested have been included in State TANF Programs. States have broad flexibility to design their TANF Programs with minimal Federal requirements. Each TANF Program is unique and therefore, the results for one study may not be generalizable to a program in another State. Ideally, the results highlighted in this appendix should be interpreted in the context of the specific program's environment (such as the State's economy and population), in addition to the overall design and implementation of the program. Table L–2 describes major policies tested in these evaluations.

WELFARE-TO-WORK IMPACTS

Promoting work to end dependence on government benefits is part of the stated purpose of the Temporary Assistance for Needy Families (TANF) Program. TANF requires recipients to engage in work (as defined by the State) within 2 years, and requires States to penalize recipients who fail to meet work requirements. In addition, States are subject to work participation standards.

The effect of welfare programs on work has been the focus of a voluminous amount of research since the late 1960s. Studies that concentrate on the effects on employment, earnings, and continued welfare receipt constitute the bulk of the research undertaken since the 1988 enactment of the Family Support Act.

TABLE L–2.—POLICY CHANGES UNDER WELFARE REFORM

Asset limit increase	Set countable asset limit above the $1,000 of AFDC law and/or permit recipients to have a vehicle of greater value than allowed by AFDC law ($1,500 in equity value).
Child support liberalization	Disregard more than $50 monthly of child support.
Earnings disregard enhancement.	Disregard more earnings than AFDC law allowed (after 4 months of work, the AFDC disregard was $120 monthly).
Education-focused programs	Require participation in a program of education and training.
Employment-focused program.	Require participation in an employment-focused program, such as job search.
Family cap	Deny increase in family benefit (or pay less than full benefit) for new baby conceived or born to mother already on welfare.
Food stamp benefit combined with cash grant.	Combine cash aid and food stamps into one cash grant.
Mixed employment/education program.	Assign recipients to either an employment-focused or education/training program.
Personal responsibility sanctions.	Penalize family for failure to meet personal responsibility rules like assuring school attendance or taking the child for immunizations.
Time limit	End family benefits when adult has received assistance for a specified period.
Time limit (adult only)	Reduce family benefits (end adult share) when adult has received assistance for a specified period.
Transitional benefits extension.	Extend transitional Medicaid and/or child care beyond the 12 months required by AFDC law (for those who lose eligibility for cash aid due to increased earnings).
Two-parent family eligibility	End special eligibility rules for two-parent families.
Wage supplementation	Use welfare benefit to subsidize wages of recipients.
Work requirements: younger child.	Require mothers with children younger than age 3 to participate in work/training (AFDC required work if youngest child was 3, but permitted States to lower this to age 1).
Work sanctions	Penalize work failure more severely than AFDC/Job Opportunities and Basic Skills (JOBS) law allowed (e.g., loss of adult benefit and use of protective payee).
Work-trigger time limit	Require work as a condition of continued eligibility for assistance after being on the rolls for a specified period.

Generally, the post-Family Support Act research shows:

1. Mandatory welfare-to-work programs are associated with increased employment, and often also increased average earnings and decreased cash assistance payments. This includes welfare-to-work programs with a strong employment focus (“work first”) as well as programs that provide education. The magnitude of the impacts varies greatly among the programs evaluated.

2. Though both employment- and education-focused programs have succeeded in raising employment and earnings, their impacts show up at different times. "Work first" programs have immediate impacts, but they sometimes fade. Such programs often speed up the process of finding a job for those who would have worked anyway, and some who find a job subsequently lose it. Education-focused programs sometimes have delayed impacts on raising employment and earnings. Two of the most effective programs—California's Greater Avenues for Independence Program (GAIN) in Riverside during the 1980s and early 1990s, and the Portland, Oregon program of the 1990s—were mixed services programs that were "work first" for some participants, but provided basic education for those determined to need it before entering the labor force.
3. Some programs that combine mandated participation in employment-focused activities with enhanced disregards of earnings (a financial incentive to work) have been particularly effective in raising earnings and employment. Moreover, these impacts persist. However (especially in States with high case benefit levels), they sometimes increase cash assistance payments and months on welfare as the enhanced earnings disregard permits working people to be on welfare at higher levels of earnings. No increase in cash assistance was found in States with low benefit levels.
4. Most of the evidence from programs that included time limits (Connecticut, Florida, and Virginia) failed to show impacts on receipt of cash benefits before families reached the time limits. In other words, anticipation of benefit-termination time limits did not cause recipients to leave welfare early. However, all three programs also had enhanced earnings disregards that could have offset any behavioral response to the time limit. The disregards continue cash assistance eligibility for some whose earnings otherwise would exceed program limits.
5. The "messages" and expectations that a program conveys to participants affect its impact. Program messages, or the strength of the messages, often vary from site to site. For example, all California GAIN Programs in the late 1980s and early 1990s operated under the same statewide rules. However, the Riverside program projected a strong message that its purpose was for recipients to get employed quickly. Probably as a result of this message, the Riverside program also had some of the largest employment and earnings impacts of evaluated welfare-to-work programs. The program message might also affect how participants respond to time limits. Because of the variation in program messages, even among programs with the same rules, it is difficult to generalize evaluation findings from a specific site to other programs that might nominally have similar rules.

Background and analytical issues

Research shows that offering cash welfare to families reduces work effort (Danziger, et al., 1981). The decision to work requires a choice between the benefits that can be obtained in the work force and those available from allocating time to domestic activities (such as childrearing) or leisure. Though the low-income population is diverse, the low wages that are offered to most make welfare an economically more attractive option than a job. Additionally, some who are working might decide to reduce their hours of work and make up part of their lost earnings with the welfare payment.

The major issues in welfare-to-work evaluations can be classified into two groups:

1. Can programs be designed to overcome the work disincentives inherent in welfare? Specifically, can work efforts be increased by lowering the rate at which earnings cause a cut in benefits, or, can these disincentives only be overcome by requiring mandatory participation in a work or job preparation program?
2. Can programs be offered that increase the earnings capacities of welfare recipients so that work becomes more attractive than welfare? What type of programs are most effective, "work first" or education-focused? [4]

Work incentives/disincentives.—Empirical research dating back to the 1960s provides evidence that welfare is a disincentive to work (Danziger et al., 1981; Moffitt, 1992). To counteract the work disincentives, policies have been sought to either lessen the disincentive or require some participation in work or job preparation activities.

One set of policies seeks to "make work pay," often by reducing the rate at which a family loses welfare benefits as their earnings increase. Under the former AFDC Program, after 4 months on a job, cash benefits were reduced $1 for each additional $1 in earnings above $120 a month. Thus, a family's total income did not change with increased work effort, as it faced an implicit marginal tax rate of 100 percent for earnings above $120 monthly.

Increasing the amount of earnings disregarded in calculating welfare benefits lowers the implicit tax rate faced by recipient families. However, the bulk of empirical research on the effectiveness of work incentives, for both increasing work and reducing welfare receipt, was discouraging (Moffitt, 1992). Increasing earnings disregards raises the level of income at which a family loses eligibility for benefits. This keeps more families on the rolls and could actually decrease work, through reductions in work effort that are at least partially offset by the welfare payment. The welfare caseload could increase, rather than decrease, as some who were previously ineligible for benefits would be made eligible by increasing earnings disregards. Nonexperimental research indicates that any increase in work effort by those already on the rolls would be canceled out by reduced work effort among new recipients.

The disappointing findings of research on work incentives during the 1970s and 1980s may have played a role in policymakers' decisions to consider programs of mandatory participation in work activities or job preparation. Work incentives were sharply limited by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35), which also permitted States to require welfare recipients to work in exchange for their benefits. Mandatory welfare-to-work programs impose a "time cost" on welfare recipients, which reduces

[4] For an overview of theoretical issues of the labor supply of women, see Killingsworth & Heckman (1986). See Becker (1965) for a discussion of theory of the allocation of time between market activities (work) and domestic activities.

their ability to allocate more time to domestic activities or leisure. For some programs (e.g., those that require work in exchange for welfare), the imposition of this time cost makes welfare less attractive and theoretically should reduce welfare participation. However, if these activities also provide benefits to recipients (such as education and training), the time costs might not result in reduced participation.

Enhancing earnings capacities.—Higher earnings are associated both with higher levels of formal education and training and job experience (Willis, 1986).[5] Though the welfare population is quite diverse, the most disadvantaged recipients tend to have relatively low levels of schooling as well as relatively little work experience. Higher earnings capacities can be expected to make work more attractive than welfare. However, there has been an ongoing debate about which of the following policies are more likely to move and keep people off welfare by enhancing their earnings capacity:

—programs that quickly move recipients into work to acquire work experience, often by forgoing formal education and training, with job search the most common first activity required,

—programs that encourage recipients to acquire education and skills, often by deferring work and acquisition of job experience, or

—programs that provide a mix of services, with the first activity determined by an assessment of individual skills and needs.

Highlights of selected evaluations

The post-Family Support Act welfare reform programs experimented with a wide variety of welfare-to-work strategies. In general, where evaluations compared participants assigned to a mandatory welfare-to-work program with recipients not assigned to the program, those in the welfare-to-work program had higher employment rates, higher average earnings, and lower average welfare benefits. Average earnings impacts are calculated based on the earnings of all members of an experimental or control group, including nonworking members who have $0 earnings. Average earnings have been increased by: (1) increasing employment; (2) increasing hourly wages of those employed; or (3) a mix of both. The followup period for these evaluations varies. For evaluations with a followup period of 2 years or less, impacts reflect short-term effects of a program.

Mandatory welfare-to-work programs.—Almost all of the welfare-to-work programs evaluated since passage of the Family Support Act are mandatory work or job preparation programs. That is, welfare recipients were required to participate in activities or face a financial sanction. The degree of the financial sanction varied from program to program. Additionally, the degree to which participation requirements were enforced varied from program to program, but most were at least nominally mandatory.

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[5] Earnings and earnings capacities of individuals are usually analyzed using "human capital theory," which relates wages to the skills individuals bring to a job (Becker, 1964). The most common empirical model of wages was developed by Mincer and Polachek (1974), with earnings estimated as a function of schooling and job experience. For estimates of earnings capacities for single women with children, see Haveman and Buron (1993).

The Job Opportunities and Basic Skills (JOBS) Program created by the Family Support Act of 1988 mandated participation of most able-bodied Aid to Families with Dependent Children (AFDC) parents whose youngest child was age 3 or older in a program that provided a wide array of employment and education and training services. States had the option of mandating participation for parents with a child as young as age 1. Services were provided subject to available funding. The purpose of JOBS was to assure that needy families with children obtained education, training, and employment services to help them avoid long-term welfare dependence.

There were two major evaluations of the JOBS Programs—an evaluation of the Nation's largest JOBS Program, California's GAIN (Riccio et al., 1994); and NEWWS (U.S. Department, 2000a). Both evaluations were fielded in multiple sites, and tested a number of different approaches to moving welfare recipients into the work force. GAIN was a single program, but was implemented differently in different sites. NEWWS is an evaluation of 11 different welfare-to-work programs. In the GAIN and NEWWS evaluations, recipients assigned to the program group were subject to participation requirements and were provided services; those assigned to the control group were not subject to participation requirements or provided services, but could otherwise seek employment and training in their communities. These evaluations provide information about the impact of welfare programs operating in the early-to-mid 1990s, before widespread use of AFDC waivers and before the creation of TANF.

Over a 3-year followup period, the GAIN Program produced employment gains in five out of six sites, earnings gains in three out of the six sites, and reductions in cash welfare payments in four out of the six sites. The GAIN Program provided basic education for those assessed in need of education (i.e., they lacked a high school diploma or basic skills) and job search for others. However, county-by-county implementation of GAIN varied, with some counties emphasizing education more than others. The impacts in Riverside were particularly noteworthy; the employment rate was increased by 26 percent and average total earnings were increased by 49 percent over the 3-year followup period. The Riverside program was characterized by a strong employment message provided to all, even those assigned to basic education under GAIN's rules.

Impacts from 2 years of followup data are available for all 11 programs in the NEWWS evaluation. NEWWS tested programs that had an employment-focused approach as well as education-focused programs. The 11 programs are: Atlanta, Georgia (employment-focused); Atlanta (education-focused); Grand Rapids, Michigan (employment-focused); Grand Rapids (education-focused); Riverside, California (employment-focused); Riverside (education-focused); Columbus, Ohio (integrated case management); Columbus Ohio (traditional case management); Detroit, Michigan; Oklahoma City (applicants only); and Portland, Oregon. Statistically significant increases in the percent ever employed in year 1 or 2 were found in all programs except for Oklahoma City (a program that evaluated impacts on applicants only) and the two Columbus, Ohio programs (that tested integrated and traditional case management). However, by the last quarter of year 2, significant impacts were found for the two Columbus programs, so that the evaluation found increases in employment for all programs except Oklahoma City.

The NEWWS evaluation provides a comparison of programs emphasizing job search with those emphasizing basic education. Participants without a high school diploma or general education degree (GED) were less likely to enroll in basic education without mandated participation in a welfare-to-work program. However, education-focused programs had small impacts on participation in vocational and postsecondary education. This is due, in part, to many participants with a high school diploma or GED in both the experimental and control groups enrolling in these activities on their own. Evaluators also noted some other barriers to vocational and higher education, such as failing to meet entrance requirements (other than a high school degree) or the timing of required program activities failing to coincide with the timing of an academic year or semester.

Comparison of mandatory programs: "work first" versus education and training.—Though NEWWS found positive impacts across both "work first" and education-focused programs, there were differences in both the degree and timing of these impacts.

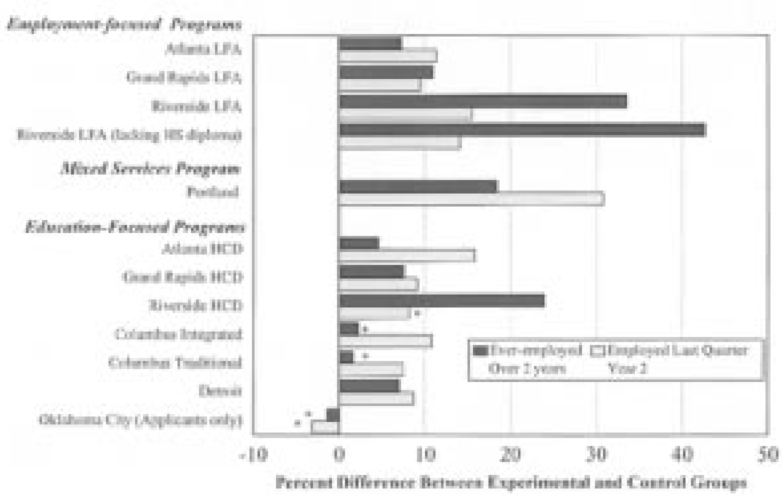
Chart L–13 shows the employment impacts of the 11 NEWWS programs over the 2-year followup period. The impact is expressed as the percent increase or decrease in the program group's employment rate, compared with the control group's employment rate. The chart shows the overall impact (percent change in the percent ever employed over the 2 years), as well as the impact in the last quarter of the second year. As shown in the chart, employment-focused programs had somewhat larger percentage impacts, though it was common for the impact to be less at the end of the 2-year period than over the entire period. Education-focused programs, on the other hand, tended to have their greatest impact at the end of the 2-year period.

The fading of program impacts in some "work first" programs reflects a combination of two factors. Some who find a job subsequently lose it. In addition, some control group members eventually find jobs on their own without the aid of services provided to those in the experimental group. That is, some of the impact of employment-focused programs is simply an acceleration of the job finding process for those who would have gone to work anyway.

The Portland, Oregon program is notable for relatively high overall impacts (18 percent increase in employment and 35 percent increase in average earnings over the 2-year period), as well as relatively high impacts at the end of the 2-year period. Portland represents a mixed services program, much like the Riverside program included in the GAIN evaluation. Both programs emphasized employment as their goal. However, both programs also directed some participants to basic education if they were determined to need skill building before entering the work force. Though the importance of job finding was the goal of both programs, the messages conveyed to participants differed. The Riverside message was that recipients should try to obtain any job, even one with low pay and no benefits as a "stepping stone" to a better job in the future. The

Portland message was that recipients should try to find “good jobs,” those that pay above the minimum wage and provide benefits, and that it was OK to turn down some jobs. Despite similarities in earnings impacts, the Riverside GAIN and Portland NEWWS programs produced these impacts differently. Increases in employment contributed to both programs’ impacts, but Portland also increased average hourly pay for those who worked. In Riverside GAIN, employed members of the experimental group had slightly lower average hourly pay than employed members of the control group (U.S. Department, 1998).

CHART L–13. NATIONAL EVALUATION OF WELFARE-TO-WORK STRATEGIES: IMPACTS ON EMPLOYMENT RATE



* Denotes impact that is not statistically significant.

Note.—LFA on the chart denotes labor force attachment, employment-focused programs; HCD refers to human capital development, the education-focused programs.

Source: Prepared by the Congressional Research Service based on information from the U.S. Department of Health and Human Services and the U.S. Department of Education (2000a).

The best test, among available evaluations, of whether employment-focused or education-focused programs are more effective can be found in the NEWWS evaluations in Atlanta, Grand Rapids, and Riverside. As mentioned, the NEWWS evaluation had an experimental group subject to an employment-focused program and an experimental group subject to an education-focused program. Both treatment groups were measured against the same control group. Therefore, the evaluators were able to measure the impact of an employment-focused program, the impact of an education-focused program, and the impact of the two approaches in comparison with each other.

Table L–3 shows the comparison of the impacts of the employment-focused and education-focused programs. Generally, both types of programs increased earnings. Exceptions were education-focused programs for those without a high school diploma or GED, and the employment-focused program in Grand Rapids for those who had a high school diploma, though impacts for the programs themselves are not shown in the table. However, when differences between the two approaches were found, employment-focused programs tended to increase earnings more than education-focused programs over the 2 years, especially among those without a high school diploma or GED. Additional years of followup data might change these results, since there is a pattern of declining impacts for employment-focused programs as well as increasing impacts for education and training programs. However, previous studies have found that employment and earnings impacts of education-focused programs sometimes also fade after 2 years, although one program (Baltimore Options) did produce earnings increases at the end of 5 years (Friedlander & Burtless, 1995).

TABLE L–3.—NEWWS. COMPARISON OF EMPLOYMENT-FOCUSED WITH EDUCATION-FOCUSED PROGRAMS IN ATLANTA, GRAND RAPIDS, AND RIVERSIDE: IMPACT ON EARNINGS OVER 2 YEARS

	Comparison of employment-focused program and education-focused program
Full sample	
Atlanta	Employment-focused program impact greater by $521.
Grand Rapids	No difference.
No high school diploma or GED	
Atlanta	No difference.
Grand Rapids	Employment-focused program impact greater by $1,063.
Riverside	Employment-focused program impact greater by $707.
With high school diploma or GED	
Atlanta	No difference.
Grand Rapids	No difference.

Source: Table prepared by the Congressional Research Service based on information from the U.S. Department of Health and Human Services and the U.S. Department of Education (December 1997).

Comparison of mandatory welfare-to-work programs: AFDC waivers.—The findings from welfare-to-work experiments conducted in the mid 1990s under AFDC waivers are not as consistent as those from evaluations of JOBS Programs. Evaluations of waiver programs compare participants subject to the welfare reform initiatives with those subject to regular AFDC/JOBS rules. Unlike the evaluations of JOBS Programs, which compared participants in a welfare-to-work program with those not subject to welfare-to-work rules, the waiver evaluations measured the incremental effect of new program rules above and beyond the effects of AFDC/JOBS requirements.

A number of the waiver evaluations (Arizona, New Jersey, Texas) failed to find consistent impacts on employment, earnings, and welfare receipt. However, some waiver programs did have considerable effects; they increased employment and earnings and reduced welfare receipt (Delaware and Indiana). Delaware's ABC Program increased the employment rate of participants by 20 percent and increased earnings by 16 percent in the first year. Delaware also reduced cash assistance receipt by 5 percent in the first year. Indiana increased employment by 2 percent over 2 years and earnings by 5 percent. Indiana's program cut cash assistance payments by 20 percent, with impacts growing in the second year.

Another set of waiver programs in a number of States used enhanced earnings disregards as an inducement to work. These programs are discussed in the next section.

Combining mandatory participation and financial incentives.—Under waivers of AFDC requirements, States were permitted to experiment with higher earnings disregards than were set forth in Federal law. These programs combined financial incentives with mandatory work participation requirements, and their evaluation results are useful for anticipating the effects of changes made under TANF. Despite the disappointing evidence of earlier research on the effect of increasing earnings disregards, most States have coupled higher earnings disregards with mandatory work requirements in their TANF Programs.

Earnings disregards in selected evaluated programs.—Under AFDC rules, States disregarded $120 plus one-third of remaining earnings for the first 4 months on a job when calculating benefits. For the next 8 months, the disregard was reduced to $120, and thereafter (after 12 months) to $90, a standard work expense. Most States under their TANF Programs have increased their disregards from those that prevailed under AFDC.

—Connecticut: 100 percent of earnings up to the Federal poverty level. This applies to both cash assistance and food stamps.

—Florida Family Transition Program (FTP): $200 and 50 percent of remaining earnings.

—Minnesota MFIP: Benefits equal the maximum grant, increased by 20 percent minus net income. Net income includes an earnings disregard of 38 percent of gross earnings. MFIP consolidated cash assistance and food stamps into a single benefit.

—Vermont WRP: $150 plus 25 percent of remaining earnings.

—Virginia Initiative for Employment Not Welfare (VIEW): 100 percent of earnings until the cash benefit plus net earnings equal the Federal poverty level.

The combination of financial incentives and mandated participation in work or job preparation has produced higher employment and earnings. Financial incentives alone, without a participation mandate, tend to produce smaller or no impacts on employment and often no impacts on earnings. MFIP and Connecticut's Jobs First, both programs that combined financial incentives and mandated participation, produced fairly large employment impacts. The final report on MFIP showed a 35 percent increase in employment and a 23 percent increase in earnings among long-term, single-parent recipients 9 quarters after the program began. Connecticut's Jobs First evaluation showed a 10 percent increase in the employment rate and an 11 percent increase in earnings over the 30-month followup. The impacts of both programs were sustained over time. Additionally, both programs had large impacts on the most disadvantaged participants, those without a high school degree, without work experience, and with long spells on welfare.

In the case of MFIP and Connecticut's Jobs First Program, increases in employment and earnings were accompanied by increases, not reductions, in welfare payments and receipt of assistance. In these programs, the enhanced earnings disregards permitted some working recipients who would have been ineligible for AFDC to combine work and welfare. These programs could also cause a reduction in work effort or earnings, as those who would have worked anyway accept lower paying jobs or work fewer hours than would otherwise be the case, making up the difference in lost income with the increased welfare payment received while working. Whether increases in work effort by those already on the rolls are canceled out by reduced work effort by those not previously eligible for benefits (as found in earlier nonexperimental research) cannot be told from these evaluations. The findings of these evaluations are limited to the population studied: those who already applied for and/or received cash assistance. Thus, these evaluations cannot be used to understand "entry" effects; i.e., how programs affect the likelihood of low-income people to apply for welfare in the first place.

Some evaluations of State programs that combined enhanced earnings disregards with mandated participation yielded different results than those found in Minnesota and Connecticut. Increased cash assistance payments were not found in the Florida FTP, the Vermont Welfare Restructuring Project (WRP), or the Virginia VIEW Program. Florida and Virginia pay lower benefits than do Minnesota and Connecticut, and the Vermont earnings disregard is less generous than those found in Minnesota or Connecticut. Further, in Connecticut and Minnesota, the cash and food stamp earnings disregards were both changed, while the Food Stamp Program in Florida, Vermont, and Virginia operated under Federal food stamp earnings disregard rules.

Time limits: impacts before reaching the time limit.—Three evaluations are available on the possible effects of benefit-termination time limits on welfare-to-work outcomes: the Florida FTP Program, Connecticut's Jobs First Program, and the Virginia VIEW Program. The findings from the Florida, Connecticut, and Virginia programs are useful in anticipating the effects of TANF's time limit. All three programs combined time limits with other welfare reform initiatives, particularly enhanced earnings disregards that allowed some working participants who would have been ineligible for AFDC to continue receiving assistance and combine work and welfare. Most State TANF Programs are operating under policies that combine increased earnings disregards with time limits. To the degree that generous earnings disregards increase months of receipt for working recipients, they increase the risk of reaching the time limit, though they also reduce the risk of reaching the time limit without earnings.

Generally, there is little evidence that anticipation of time limits spurred recipients to leave welfare early. No change in cash assistance receipt was recorded before participants reached the time limit in Florida or in two of the three sites evaluated in Virginia.

Cash assistance increased in Connecticut. It is possible that the behavioral effect of time limits, which serve as a spur to leave welfare early, and the enhanced earnings disregards, which permit working recipients to stay on welfare longer, cancel each other out. In Connecticut, the effect of the very generous earnings disregard might have overwhelmed the effect of the short time limit.

One site in Virginia (Petersburg) did show reduced cash assistance receipt after recipients became subject to time limits. In Petersburg, program staff actively encouraged working participants to leave the rolls, and save months of eligibility for future use. In other Virginia sites and in Connecticut and Florida, evaluators noted that staff did not actively encourage participants to save remaining months of eligibility. These results are further evidence that the program message conveyed by local administrators affects participant behavior.

Welfare time limits have also had a high profile in the media and public discussions. Evaluations often found that many in the control group incorrectly thought they were subject to the time limit. In Connecticut, for example, 23 percent of the control group thought they were subject to a time limit. This misunderstanding by control group members would have the effect of reducing the impact of the time limit, since it is measured as the difference in outcomes between the program group and the control group.

Programs for teenage parents.—Teen parents on welfare are at particular risk of becoming long-term recipients. The New Chance Demonstration, the Teenage Parent Demonstration (TPD), and Ohio's Learning, Earning, and Parenting (LEAP) Program all targeted teenage parents. New Chance was a voluntary program of education and services for AFDC mothers who had children as teenagers and dropped out of high school. The TPD required participation and provided enhanced services to teen parents. Neither set of programs produced lasting impacts on employment and earnings. New Chance slightly reduced employment and earnings early in the program, as participants engaged in education. The TPD produced some early impacts, but these did not last. Evaluators of the TPD found that impacts that occurred while young mothers were enrolled in the program were not sustained once the mandated participation requirements and expectations of the program ended for them.

Ohio's LEAP Program imposed financial sanctions on those who failed to meet school attendance requirements, and provided bonuses for those who did attend school. Over the 4-year followup period, there were no employment and earnings impacts, but there was a 5 percent decrease in cash welfare.

Detail for welfare-to-work impact evaluations.—For detailed information about the major impact evaluations conducted after the passage of the Family Support Act of 1988, see table L–9 at the end of this section.

Family Formation and Structure Impacts

Two of the objectives of TANF are to "prevent and reduce the incidence of out-of-wedlock pregnancies" and to "encourage the formation and maintenance of two-parent families." Policy initiatives to promote these objectives have included imposing a family cap (paying no benefit or a reduced benefit for a new baby born to a mother already on welfare) and removing special eligibility requirements for two-parent families. However, the bulk of post-Family Support Act research has focused on broader efforts to alter welfare, especially by increasing work, and the impact of these efforts on earnings and employment (as discussed in the previous section). The impact of policy initiatives on nonmarital births and marriage has received much less attention.

Available findings generally show:

1. The majority of evaluations of welfare-to-work programs that examine marriage rates and birth rates for single-parent families report no impacts. One evaluation of an AFDC waiver program (Minnesota's MFIP) did report an increase in marriage among single-parent families and a decrease in marriage breakup among two-parent families.
2. State AFDC waiver initiatives that included family cap policies have produced inconclusive results. While New Jersey reported a decline in birth rates for AFDC mothers, Arkansas reported no impacts on birth rates for AFDC mothers as a result of family cap policies.
3. The few programs that have targeted teenage parents have, in general, reported no impact on the number of births.

Background and analytical issues

Since the 1970s, the overall birth rate for married women has declined, but the number of nonmarital births has substantially increased (see appendix M). This increase in nonmarital births has been attributed to women delaying the decision to marry, but not the decision to have a child (Bachrach, 1998). Growth in the welfare caseload, to a historic peak in 1994, was driven in part by the increase in the number of single female-headed households. Since 1994, caseloads have declined at a largely unexpected rate (almost half by fiscal year 1999), but the number of single mothers has remained relatively constant (between 9.8 and 10 million each year). Therefore, while the increase in single mothers may explain much of the earlier increase in the welfare caseload, the decrease in the welfare caseload has not been accompanied by a similar decrease in the number of single mothers.

Economic models of marriage decisions contend that single people marry if the marriage provides a benefit to both individuals. For couples to remain married, both individuals must continue to benefit from the union (Becker et al., 1977). Welfare programs provide a means for single mothers to live independently, and therefore, like employment, may serve as a disincentive to marriage. AFDC assisted single mothers and many believed AFDC and other welfare programs encouraged divorce or single parenthood by offering a financial alternative to marriage. The Family Support Act of 1988 required every State to operate Aid to Families with Dependent Children—Unemployed Parent (AFDC–UP) Programs, which provided assistance to eligible two-parent families but contained special eligibility requirements for such families. Specifically, the principal wage earner in the family was required to have a significant work history and was not allowed to work 100 hours or more per month. Many believed these eligibility requirements had a negative impact on decisions to marry or remain married. Although earlier nonexperimental research found no relationship between the presence of State AFDC–UP Programs and marital stability (Winkler, 1995). Under TANF, a significant number of States have removed these special two-parent eligibility requirements in their efforts to promote and support marriage.

In addition to being a possible disincentive to marriage, welfare programs are seen by some as providing an incentive for nonmarital childbearing. In a purely economic sense, many argue that by increasing the cost of having children by limiting or denying benefits to children born to mothers already on welfare (the "family cap"), public policy may be able to encourage people to postpone having a child or to limit family size. Others argue that by providing easier access to family planning services, and also by enhancing these services, public policy may decrease the cost of preventing unwanted or unplanned pregnancies, which may decrease the number of births. Still others argue that family size decisions, as well as decisions to marry or divorce, are subjective and personal and have little to do with economic calculations.

The nonexperimental research examining the effects of welfare on marriage and fertility produced mixed results. Earlier studies led many to conclude that the welfare system had no effect on these outcomes. However, recently, a slight majority of studies have concluded that welfare has led to a decrease in marriage and an increase in childbearing (Moffitt, 1998). These studies use various methodologies, different sources of data, and explore different periods of time. Many contend that the findings reported are sensitive to the factors and methods used to examine this relationship.

Highlights of selected evaluations

The impact of policy initiatives on marriage and fertility has proven difficult to examine. As discussed above, marriage and childbearing decisions are highly personal, and it may be difficult to directly influence these decisions through policy. In contrast, many believe that certain policy changes may reduce welfare entry by encouraging persons to marry or delay decisions to have children. However, welfare evaluations only capture the effect of policy initiatives on those who already receive welfare. Therefore, these evaluations measure only the effect of policy changes on encouraging marriage among single women who are already receiving welfare, and promoting marital stability among married couples that also are already receiving welfare. Likewise, welfare evaluations only discern the effect of policy changes on subsequent births; those that occur after a woman has already been on welfare.

Impact on marriage.—The Seattle-Denver Income Maintenance Experiment, conducted in the 1960s and 1970s, was the first experimental test of the impact of transfer programs on marriage. The analysis suggested that this program, which guaranteed a minimum income level, increased marital dissolution among white and black couples and increased rates of marriage or remarriage among Hispanic single-parent families. However, reanalysis of these findings has led many to question the impacts originally reported. Further, differences between policy changes and the program structure and environments make comparisons between the Seattle-Denver

Income Maintenance Experiment and the more recent evaluations difficult.

The Family Support Act of 1988 authorized a set of State experiments that liberalized eligibility for two-parent (unemployed) families by permitting them to work 100 or more hours monthly, without making other policy changes. By limiting other policy changes, many hoped that the evaluations of the three approved State demonstrations—California, Utah, Wisconsin—would provide insight into the impact of changes to the 100-hour rule. Reports on these demonstrations have been completed, but have not been released.

The majority of the pre-TANF evaluations of "work first" and education-focused programs, which examine marriage among individuals already receiving welfare, report no impacts for single-parent families. One evaluation of an AFDC waiver program, the Minnesota Family Investment Program (MFIP), reported an impact on the percent of parents who were married 3 years after the program began. However, this impact varied depending on the population examined and the types of services individuals received, as illustrated in table L–4.

TABLE L–4.—MINNESOTA FAMILY INVESTMENT PROGRAM: IMPACTS ON MARITAL STATUS 3 YEARS AFTER THE PROGRAM BEGAN

Single-parent families	Full MFIP Program (financial incentives plus mandatory participation)		
Long-term welfare recipients	Increase in percent currently married.		
Recent applicants	No impact.		
Single-parent families: subgroups	**Financial incentives package**	**Full program (financial incentives plus mandatory participation)**	**Effect of adding the mandatory participation requirement**
Long-term welfare recipients: urban counties.	Increase in percent currently married.	No impact	No impact.
Recent applicants: urban counties.	No impact	No impact	No impact.
Child outcome sample: single mothers with children ages 2–9 when program began.	Increase in percent currently married.	Increase in percent currently married.	No impact.
Two-parent families	**Financial incentives package and elimination of special two-parent eligibility requirements**		
Welfare recipients: urban counties.	Increase in percent currently married.		

Source: Table prepared by the Congressional Research Service based on information in Miller et al. (2000).

Overall, among long-term recipients in urban and rural counties, MFIP increased the percent who were married 3 years after the program began. The program had no impact on the percent of recent applicants who were currently married 3 years after the program began. The evaluation of MFIP was unique in its design. In addition to the control group, which was subject to the old AFDC rules, single-parent families in the research sample were assigned to one of two treatment groups. Those in the first treatment group, the financial incentives package group, were subject to changes including the enhanced disregard of earnings (financial incentives). Those in the second treatment group, the full program group, were subject to these same changes, but were also required to participate in MFIP's employment and training services once they had received assistance for 24 of the past 36 months. This three-way design allowed the researchers to disentangle the effects of the program's two major components—financial incentives and mandatory employment and training services.

The previous welfare-to-work section reported that programs like MFIP, which combine mandatory participation in employment and training with enhanced earnings disregards, have been particularly effective in raising earnings and employment among single mothers who are long-term welfare recipients. However, among long-term, single-parent recipients in urban counties, this combined approach in Minnesota produced no impact on marriage 3 years after the program began. As table L–4 illustrates, while there was an increase in the percent of recipients who were currently married among those subject to the financial incentives package, there was no impact for those who were subject to the full package of MFIP benefits. Again, there were no impacts on marriage reported for applicants in urban counties assigned to either of the treatment groups.

The MFIP evaluation also included a survey of mothers who were single and had children between the ages of 2 and 9 when they entered MFIP. Among these women, the combined program increased the percent who were married 3 years later. As table L–4 illustrates, this increase is entirely a result of the financial incentives, as the addition of the mandatory participation requirement had no impact on the percent who were currently married. While these results are difficult to reconcile, they provide some evidence that financial incentives, rather than mandatory employment and training services, may have an impact on marriage among single mothers.

Two-parent families in MFIP were subject to different provisions than single-parent families, including the financial incentives package, a requirement that one parent work or participate in employment-related activities when the family had received assistance for 6 of the past 12 months, and the removal of special two-parent eligibility requirements. Many believed the removal of these eligibility requirements would promote marital stability by allowing two-parent families to remain together through difficult times such as loss of work. While the research design does not disentangle the effect of this specific reform (the elimination of special two-parent eligibility requirements), there is some evidence that MFIP enhanced marital stability. Among the sample of two-parent recipient families, the evaluation reported an increase in the percent who were currently married 3 years after the program began. The evaluation also reported a decrease in the percent divorced or separated and a decrease in the percent cohabiting with a partner 3 years after the program began.

Impact on fertility.—A policy initiative designed to discourage repeat births to welfare mothers that has received a great deal of attention is the family cap. Family caps were implemented by 19 States through AFDC waivers and additional States added them under Temporary Assistance for Needy Families (TANF). State programs implementing the family cap deny additional cash assistance for children conceived and born to mothers while they are receiving welfare.

New Jersey and Arkansas, two of the States that received waivers from the U.S. Department of Health and Human Services (DHHS) to implement a family cap, conducted evaluations of their programs. The New Jersey evaluation reported a decrease in births among both ongoing cases (those receiving welfare before implementation of the Family Development Program, FDP) and new cases (those who joined the welfare rolls after implementation of the FDP), as well as an increase in abortions among new cases (Camasso et al., 1998a). Arkansas reported no impact on the number of births to Aid to Families with Dependent Children (AFDC) mothers (Turturro et al., 1997). However, both studies indicate confusion among participants as to which rules and program services applied to them. This potential "contamination" (i.e., individuals believing they were subject to the family cap when they were not) has led many to express concern about the validity of these results.

Evaluators in New Jersey supplemented their experimental evaluation with nonexperimental analysis, comparing outcomes, such as birth and abortion rates, after implementation of the waiver with those that would have been expected without the policy change, and using statistical techniques to "control" for other factors that could affect births and abortions. This analysis supported the results of the experimental evaluation by concluding that the waiver program led to fewer births and more abortions than would have been expected given demographic trends in New Jersey at the time. However, given these mixed results and the limited amount of available information, many contend that the effectiveness of the family cap on discouraging births to women already receiving cash assistance remains unclear.

Impact on teenage parents.—A few demonstration programs examined initiatives to promote education and training and to discourage nonmarital births among teenage parents. While these programs led to some short-term impacts, none reported long-term impacts on pregnancies, births, or use of birth control. Evaluators of these programs contend that the "right" mix of interventions to help teenage parents has not been found.

The TPD Program targeted teenage parents who were pregnant with, or had given birth to their first child, and were receiving welfare for the first time. Participants were provided with case management services and workshops on employment and life planning, in addition to an employment preparation and training component. No impacts on pregnancies, births, or the use of birth control were reported. The TPD did report an increase in the number of abortions in Chicago, but no impact on the number of abortions was found in Camden or Newark.

The New Chance Program, with a design similar to the TPD, was undertaken in 16 sites around the country. Participation in the program was voluntary. The goal of New Chance was to enable participants to acquire education and vocational education to secure jobs and thereby postpone childbearing decisions. No long-term impacts on pregnancies, births, abortions or birth control were reported 42 months after the program began. The evaluation did report that women in the New Chance Program were more likely than women in the control group to be pregnant during 9 of the first 24 months after random assignment. The evaluators attribute this to the fact that at the 18-month point, although not at the 42-month point, women in the New Chance group were more likely to be living with a male partner.

A third teen intervention program, Ohio's LEAP Program, targeted school attendance among teenage parents, with the hope of increasing the number who would graduate from high school. While the program did increase the rates at which participants completed 9th, 10th, and 11th grade, LEAP had no impact on the number of subsequent births 3 years after followup.

Table L–5 provides a summary of the studies reviewed in this section on family formation and structure outcomes. Additional information about the studies may be found in table L–9, at the end of this appendix.

TABLE L–5.—FAMILY FORMATION AND STRUCTURE OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988

Marital status	Births	Abortions
National Evaluation of Welfare-to-Work Strategies (NEWWS)		
National Evaluation of Welfare-to-Work Strategies: Evaluating Alternative Welfare-to-Work Approaches: Two Year Impacts for Eleven Programs, June 2000		
Of the 11 programs examined, only 1 program reported an impact. Riverside LFA reported a decrease of 20% (11% vs. 13%) in percent married and living with spouse.	Of the 11 programs examined, only 1 program reported an impact. Columbus traditional program reported a decrease of 41% (3% vs. 8%) in the percent who had a baby since study entry.	Not reported.
New Chance Demonstration		
New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children, October 1997		
Not reported.	No impact on pregnancies or births during the 42-month followup period. Decrease in number of months between last terminated pregnancy at random assignment and onset of next pregnancy of 1% (36 vs. 38).	No impact on percent who had ever had an abortion by the 42-month followup interview.

TABLE L–5.—FAMILY FORMATION AND STRUCTURE OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Marital status	Births	Abortions
Teenage Parent Demonstration (TPD)		
Moving into Adulthood: Were the Impacts of Mandatory Programs for Welfare-Dependent Teenaged Parents Sustained After the Programs Ended?, February 1998		
Not reported.	No impact on percent who had pregnancies, births, or miscarriages over the 78-month followup.	Increase in percent who reported an abortion 78 months after intake in Chicago of 23% (23% vs. 19%). No impact in Camden and Newark.
Arizona: Employing and Moving People Off Welfare and Encouraging Responsibility (EMPOWER)		
Arizona: Evaluation of the Arizona EMPOWER Welfare Reform Demonstration, May 1999		
No impact.	Decrease of 60% (2% vs. 4%) in births to unwed minors.	Not reported.
Arkansas: Welfare Waiver Demonstration		
Arkansas Welfare Waiver Demonstration Final Report, June 1997		
Not reported.	No impact on number of births to AFDC case heads 5 years after the program began.	Not reported.
California: Greater Avenues for Independence (GAIN)		
GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program, September 1994		
No impact.	No impact on percentage who have given birth within 2–3 years after program began.	Not reported.
Connecticut: Jobs First		
Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative, February 2000		
No impact.	No impact on the percentage who gave birth or did not give birth.	Not reported.
Minnesota: Family Investment Program (MFIP)		
Reforming Welfare and Rewarding Work: Final Report on the Minnesota Family Investment Program, Volume 1: Effects on Adults, June 2000		
Long-term single-parent families		
Increase of 51% (11% vs. 7%) in percent currently married at the time of the 3-year interview.	Not reported.	Not reported.
Long-term single-parent families—urban counties		
No impact.	Not reported.	Not reported.
Long-term single-parent families—urban counties: Without mandated participation		
Increase of 89% (11% vs. 6%) in percent currently married at the time of the 3-year interview.	Not reported.	Not reported.

TABLE L–5.—FAMILY FORMATION AND STRUCTURE OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Marital status	Births	Abortions
Recent applicants—urban counties		
No impact.	Not reported.	Not reported.
Two-parent recipient families		
Increase of 40% (67% vs. 48%) in percent currently married at the time of the 3-year interview.	Not reported.	Not reported.
Reforming Welfare and Rewarding Work: Final Report on the Minnesota Family Investment Program, Volume 2: Effects on Children, June 2000		
Increase of 82% (11% vs. 6%) in percent currently married at the time of the 3-year interview.	No impact on percent who had a child during the 3-year followup period.	Not reported.
New Jersey: Family Development Program (FDP)		
A Final Report on the Impact of New Jersey's Family Development Program: Experimental-Control Group Analysis, October 1998		
Not reported.	Ongoing cases: Decrease in cumulative number of own births per 1,000 individuals December 1992–December 1996 for ongoing cases of 11% (319 vs. 358)	Ongoing cases: No impact
	New cases: Decrease in cumulative number of own births per 1,000 individuals December 1992–December 1996 of 12% (269 vs. 304).	New cases: Increase in cumulative number of abortions per 1,000 individuals December 1992–December 1996 of 14% (356 vs. 312).
A Final Report on the Impact of New Jersey's Family Development Program: Results from a Pre-Post Analysis of AFDC Case Heads from 1990–1996, October 1998		
Not reported.	Decrease in own births that would have been expected without the FDP of 32% (35,785 vs. 24,469).	Increase in abortions that would have been expected without FDP of 3% (39,114 vs. 40,330).
Ohio: Learning, Earning, and Parenting (LEAP)		
Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents: Ohio's Learning, Earning, and Parenting (LEAP) Program, August 1997		
Not reported.	No impact on number of subsequent births 3 years after followup.	Not reported.

Note: Some percentage changes reported in this table may differ if calculated based on the reported findings, due to rounding. The percentage changes reported in this table reflect the percentage changes as reported in the individual evaluations.

Source: Table prepared by the Congressional Research Service based on a review of research evaluations. Information concerning the data, the target populations, and the package of initiatives included in each evaluation is highlighted in the table of welfare-to-work outcomes in the previous section. The outcomes presented in this table should be supplemented with the details of the evaluation highlighted in the welfare-to-work table.

ECONOMIC STATUS IMPACTS

The previous sections discussed impacts of welfare reform initiatives on employment and earnings and on family formation and structure. This section summarizes findings of evaluations about the impact of welfare reform initiatives on the economic well-being of families. It uses combined income from earnings, cash welfare, and food stamps as the primary measure of families' material status. This section also summarizes information on poverty, health insurance status, and child care costs and arrangements as available from some evaluations.

Though raising a family's income and reducing poverty are not explicit TANF goals, Federal law requires TANF State plans to outline how the States intend to provide needy parents with services to enable them to "leave the program and become self-sufficient." Attainment of self-sufficiency implies a rise in family income. Additionally, other sections of TANF law (besides its explicit goals) reflect interest in the overall economic well-being of TANF families or families with children in general. For example, States are required to report on their child poverty rate, and if their child poverty rate increases by more than 5 percent over a year as a result of TANF implementation, the State is required to file a "corrective action" plan with the Federal Government. TANF also requires DHHS to include information on average income in its annual report to Congress on families that reached the TANF time limit or had teen parents.

Generally, the available evaluations find:

1. Welfare-to-work programs often succeed in moving recipients to employment but not in raising incomes. Studies of programs from the AFDC/Job Opportunities and Basic Skills (JOBS) era (1988–96) show that increases in earnings generally offset but did not exceed reductions in AFDC cash benefits and food stamps.
2. Some welfare-to-work programs that combined mandatory participation requirements with enhanced earnings disregards (which permit working recipients to keep more of their benefits) raised incomes and reduced poverty. However, the rise in income most often occurred because of increases in earnings and by increasing, not decreasing, welfare payments. Enhanced disregards permitted families to combine work and welfare at higher levels of earnings than were possible under AFDC.
3. Little can be said about the impact of family formation decisions on economic well-being from these evaluations. The available evaluations also do not show any impact of attempts to increase the incentives for mothers to cooperate with efforts to obtain and enforce child support orders or increase the employment of noncustodial parents. The Parent's Fair Share Demonstration showed an increase in child support payments without a corresponding increase in employment and earnings (Doolittle et al., 1998).
4. Two evaluations of programs with time limits (Florida and Connecticut) are available. Neither program produced evidence that the group subject to the time limit had lower combined incomes than the comparison group not subject to the time lim-

its. This was true even after some in the group subject to time limits could have actually reached the limit.

5. Some welfare-to-work programs increase children's participation in formal child care. Welfare-to-work programs that increase employment and reduce cash assistance receipt sometimes reduce health insurance coverage. Medicaid coverage while recipients are on cash assistance (and transitional Medicaid for those who have worked their way off cash aid) is not always replaced by employer-provided health insurance.

Background and analytical issues

The economic well-being of a family is greatly affected by both the employment status of its adult members and its family structure. Female-headed families with children are far more likely to be poor than families with children headed by a married couple, even when single mothers work. In 1998, a single mother who worked full time year-round was eight times more likely to be poor than her married counterpart, 13.3 percent compared to 1.6 percent (U.S. Census Bureau, 1999). Though recent welfare reform initiatives have made some policy changes intended to promote marriage or marital stability and reduce out-of-wedlock births, evaluations have shown few impacts. In addition to marriage, other decisions about living arrangements (e.g., cohabitation, living with extended family members, living with others) and sharing economic resources affect the material well-being of families with children. In fact, for single-mother families, the earnings of "other" members of the household have been found to be particularly important in understanding their economic circumstances (Bane & Ellwood, 1986; Schoeni & Blank, 2000).

Success of a welfare-to-work program in increasing earnings and employment and reducing welfare receipt does not automatically translate into increased economic resources available to a family to raise its standard of living. Participants might not increase earnings enough to offset losses in needs-tested cash and food benefits. Leaving welfare and going to work entails other losses:

—*Using a portion of income to pay for work expenses.*—The economic gain from working is reduced by work-related expenses, such as taxes, child care, or transportation costs.

—*Potential loss of health insurance.*—Receipt of cash welfare generally also conveys health care coverage in the form of Medicaid. (This was automatic under AFDC; it is no longer under TANF, although Medicaid coverage is still required for certain TANF families and former recipients.) Increased nonwelfare income can cause a loss of Medicaid coverage. Though transitional Medicaid is potentially available for those who lose coverage because of an increase in earnings, this transitional coverage is limited to 1 year (2 years in some States). Medicaid coverage is sometimes not replaced by employer-provided health insurance, as some former recipients find jobs that do not offer health benefits.

A complete examination of the economic well-being of families who participated in welfare-to-work programs would require a comprehensive measure of economic resources and work expenses of participants, such as a measure of the family's disposable money and near-money income after tax payments and work expenses (Citro & Michael, 1995). None of the evaluations had such comprehensive measures.

The most common measure of income in these evaluations was combined income from earnings, cash assistance, and food stamps, probably because these data are readily obtained from administrative records. However, this is not a complete measure of total income, and it will be designated as "combined income" for the remainder of this section. The income of husbands, partners, and other household members is not taken into account when examining economic well-being in studies based on administrative records. Some evaluations survey program participants to obtain more comprehensive measures of income, including that of other household members.

A comprehensive measure of economic resources would include noncash benefits such as health insurance and child care subsidies, and would subtract taxes paid but add benefits from Federal and State earned income credits (EICs). Only the most recent studies include this information, and EIC income must be estimated since information about its receipt is unavailable from most of the data sources used in these evaluations. It should also be noted that even these recent studies are of programs in operation before the 1993 major expansion of the Federal EIC, the expansion of child care funding in the 1996 welfare reform law, and establishment of the State Children's Health Insurance Program in the 1997 Balanced Budget Act.

Highlights of selected evaluations

In examining the economic well-being of welfare families, evaluations of programs after the 1988 Family Support Act can be divided into two groups:

1. Evaluations of programs operating under AFDC/JOBS rules with recipients subject to former Federal rules for counting earnings. After 4 months on a job, an AFDC recipient essentially lost $1 for each additional $1 in earnings. These programs, while successful in raising employment and earnings, often failed to increase combined income from earnings, AFDC, and food stamps by statistically significant amounts.
2. Recent evaluations of programs with enhanced earnings disregards, which permit recipients to keep more of their welfare benefit as earnings increase. These programs sometimes did raise income. Two of them (Jobs First in Connecticut and the Minnesota MFIP) did so by increasing not decreasing welfare payments, which supplemented earnings.

The second set of evaluated programs is important in anticipating the effects of the TANF Program, as 45 States had liberalized the treatment of earnings under TANF, as of January 1, 2000. However, TANF has a 5-year time limit on the use of Federal funds to provide assistance, including earnings supplements in the form of earnings disregards. States may continue to pay these supplements using their own funds. States also may use Federal TANF money or State dollars outside their welfare program and its rules (including the 5-year limit) to provide State EICs to low-income families with children.

AFDC/JOBS evaluations.—The National Evaluation of Welfare-to-Work Strategies (NEWWS), which covered 11 programs in 7 sites, is the largest evaluation of programs operating under AFDC/JOBS rules. The second largest evaluation of JOBS covered the California program of Greater Avenues for Independence (GAIN), which was evaluated in six counties. Both evaluations showed that under these programs, success in moving recipients from welfare to work was not likely to increase combined income. For the California GAIN evaluation of the late 1980s and early 1990s, no significant impacts in combined income were found in five of the six sites examined at the end of year 3. Across the 11 programs in the NEWWS evaluation, there were no significant increases in combined income from AFDC, food stamps, and earnings in year 2 despite earnings increases in most programs (including Portland). If estimated EIC income is added to combined income, significant increases are found in two NEWWS programs in year 2 (Portland and the Atlanta education-focused program). Generally, these programs did change the composition of income so that participants relied more on earnings and less on welfare. However, their earnings gains were offset by losses in welfare benefits, and the net effect was a statistical "wash" with no perceptible change in combined income. However, these programs did change the composition of income so that participants relied more on earnings and were less dependent on welfare.

These programs also did little to remove participants from poverty. However, some relatively small impacts on the share of participants above the poverty line were found in GAIN and NEWWS. This occurred even in programs that had no change in average income.

Impact of more generous earnings disregards.—Increasing earnings disregards above those that existed under AFDC is often seen as a work incentive. However, these increased earnings disregards also permit participants to continue to receive cash assistance at higher levels of earnings than they could under AFDC, thus supplementing their earnings with a continued cash benefit. Earnings disregards, even when offered as a work incentive, might also serve as income supports for working people.

The Connecticut Jobs First, Florida Family Transition Program (FTP), Minnesota MFIP, Virginia Initiative for Employment Not Welfare (VIEW), and Vermont WRP Programs all combined mandated participation with enhanced earnings disregards (see welfare-to-work section for details on the earnings disregards). In Vermont, no increase in total income was reported. Virginia's VIEW Program reported some increases in combined income for some quarters of the followup, but no consistent pattern of increased income was found.

Connecticut, Florida, and Minnesota each showed comparatively large impacts on combined income from earnings, cash assistance, and food stamps. Minnesota's MFIP Program is notable because of its explicit goals to increase income and reduce poverty among families with children. MFIP showed a 15 percent increase in combined income for single, long-term recipients over the 3-year followup. MFIP also produced a 9 percent increase in combined income over the followup for recent applicants. Programs that essentially set welfare-to-work goals but offered enhanced earnings disregards also showed increases in combined income. Connecticut showed a 10 percent increase in combined income over the 30-month followup, and Florida showed a combined income increase of 5 percent over 3 years.

Raising the income of participants often comes at a cost. Only in Florida did increased income result from a program with declines in both cash and food stamp receipt. In Minnesota and Connecticut, the increase in income came at the cost of increasing welfare payments. Thus, at least in the short run, these programs impose costs, and do not provide savings, for the government.[6] Additionally, these programs raised the incomes of some people who would have worked anyway. The evaluations indicate that higher earnings disregards or income supports for working people actually cause a reduction in work effort and earnings for some people who would have worked without the policy change.

The findings of the Connecticut and Minnesota evaluations might not be applicable to other States. The impact on income is a function of complex interactions that depend on the size of the cash welfare grant, the Food Stamp Program, and the size of the program's earnings impact. In Minnesota and Connecticut, the earnings disregards for food stamps, in addition to cash assistance, were increased. Connecticut permitted a 100 percent disregard of earnings below the Federal poverty income guidelines for both cash and food stamps, while Minnesota combined cash and food aid into a single grant. On the other hand, Florida, Vermont, and Virginia increased earnings disregards only for cash aid. Virginia has one of the larger earnings disregards for its cash benefit program, yet its program failed to consistently increase total income. In Virginia, increases in earnings produced income gains (with reductions, not increases, in cash benefits) in only one of three sites evaluated.

Impact after reaching the time limit.—In only two programs evaluated thus far did some participants actually reach a State-imposed time limit: Connecticut and Florida. The evaluation of Virginia's VIEW has information on only 24 months. Its time limit is 24 months, so it only has information on participants before they reach the time limit.

Florida's FTP Program had the first recipients in the Nation to reach time limits. However, during the course of the 3-year followup at the Florida evaluation site, only 7 percent of all participants reached a time limit.[7] Connecticut is the major evaluation available with relatively large numbers of recipients who reached the time limit. About 40 percent of participants reached the 21-month time limit within the 30-month followup period, though many obtained extensions of the time limit because they had low earnings.

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[6] For single-parent families, the estimated annual increase in MFIP costs to the government was about $2,000 per family. The two major components of this cost were higher welfare payments and the costs of continued Medicaid coverage.

[7] This reflects the percent in the report sample (for whom outcomes are reported) who reached the time limit. The Florida FTP followup is for a 3-year period. Most recipients are subject to a 24-month benefit limit in any 60-month period. However, certain disadvantaged recipients are subject to a limit of 36 months within a 72-month period. None of the very disadvantaged recipients could have reached the time limit during the 3-year followup period. Additionally, many who were subject to a 24-month limit had months of potential assistance remaining. They had either been off the rolls for some months (e.g., working) or exempted from the time limit during some months and had those months not count toward their 24-month limit.

Connecticut grants unlimited 6-month extensions to those who have complied with Jobs First rules and who make good faith efforts at finding employment but earn less than the old AFDC payment standard plus $90 (the old AFDC standard work expense deduction). Therefore, the time limit affects only those who would have been ineligible for AFDC but retained eligibility for TANF because of the generous (100 percent of poverty) earnings disregard or those who have not made good faith efforts to find employment.

The combined income impact in Connecticut differs early in the followup (before recipients could reach the time limit) compared with later in the followup, as some participants did reach the time limits. At quarter 6 (before families could have reached the time limit), the combined income of those in the experimental group was 15 percent higher than those in the control group. In quarter 10 (when some families reached the time limit), there was no impact. That is, once the time limit is reached, Connecticut's combined income impacts are similar to those in other welfare-to-work programs that do not have more generous earnings disregards.

Though the income gains vanished toward the end of the followup, the Connecticut program did not produce income losses. That is, even after the time limit could have been reached, the group subject to the time limit did not have average incomes lower than the group not subject to the time limit. This is due, in part, to higher earnings in the group subject to new program rules that include the time limit. It might also be due to the way in which the time limit was implemented. Connecticut's time limit essentially removes from the rolls those who would have been ineligible for AFDC because their earnings are too high, but it leaves on the rolls (via extensions) those who would have been income-eligible for AFDC. The wider import of the findings from Connecticut's program depends on how States implement their time limits, particularly for those recipients who are without earnings at the point when they reach the time limit.

Supplements to increase the rewards from work.—During the 1990s, a number of national "make work pay" initiatives were enacted:

1. The Federal EIC was significantly expanded in 1993;
2. Federal funding to the States to help low-income parents pay for child care was significantly increased in the 1996 welfare reform law; and
3. Federal matching funds for a new State Children's Health Insurance Program were provided in the Balanced Budget Act of 1997.

In addition, TANF-enhanced earnings disregards provide income supplements for those who combine welfare and work. They also keep families on welfare, which may convey benefits and services in addition to cash assistance. For example, MFIP increased health care coverage by keeping working families on cash assistance and, hence, Medicaid, longer. (The MFIP evaluation was conducted pre-TANF, when AFDC recipients were automatically covered by Medicaid.)

There is considerable interest in how those who leave welfare for work are faring. None of the available evaluations include data on the use of recent initiatives to "make work pay." However, some evaluations of programs conducted before the expansion of work supports showed that those who left welfare for work, not only were likely to have no more income than they did while on welfare, but were also at risk of being without health insurance and incurring child care costs.

The GAIN and NEWWS evaluations of AFDC/JOBS Programs provided some evidence that success in moving welfare recipients to work can actually result in reduced health insurance coverage. Reduced coverage was found in two GAIN sites. Of the 11 programs evaluated in NEWWS, reduced health insurance coverage was found in three. Though the programs increased receipt of employer-provided health insurance and use of transitional Medicaid, this was not enough to offset the loss of automatic Medicaid coverage while on cash assistance, as some jobs did not come with employer-provided health insurance.

Additionally, NEWWS provided evidence that welfare-to-work programs can increase the use of child care, particularly paid child care. Parents who pay for child care also might incur substantial costs. For those parents employed at the end of the 2-year followup period for NEWWS who paid for child care, the average proportion of weekly earnings used for child care ranged from about 30 percent in several sites, to 50 percent in Riverside, California, and Detroit.[8] NEWWS also found that welfare-to-work programs could increase the use of subsidized child care. (Health insurance coverage and child care costs for those who leave welfare are two issues often discussed in State “leaver” studies, discussed later in this appendix.)

Though supplements for working poor families may raise family incomes, this comes at a direct cost to the government. Additionally, people may change their behavior in response to these work supports. The Wisconsin New Hope Program was a pilot that tested substantial work supports for low-income persons who worked 30 hours a week. The supports included a cash supplement, paid health insurance, and paid child care. New Hope increased employment and earnings for those who were not working at the time they entered the program. However, for those who were working full time (or more) at the time they entered the program, there was a reduction in their hours of work (although not the rate of employment). Those who were working more than full time tended to reduce their hours of work down to full-time schedules.

The New Hope Program generally succeeded in raising the economic well-being of program participants. For those who were already working full time when they entered the program, however, there was a decrease in cash income of 8 percent in year 2, reflecting their reduced hours of work. Nonetheless, participants were likely to be better off on average, because their health insurance and child care were paid for. Additionally, the New Hope Program resulted in a decrease in employer-provided health insurance coverage, since all participants working full time were given health in-

[8] The subgroup of working parents who paid for child care and lacked a high school diploma or basic skills in the Riverside employment-focused program reported paying a very high 74 percent of weekly earnings for child care. However, the overall Riverside group in the employment-focused program reported they paid 55 percent of their earnings for child care, more typical of the other groups in Riverside who reported working and paying for child care.

surance through the program. Participants might have been more willing to accept jobs without health insurance or not seek another job that came with health insurance, because New Hope already provided them with such coverage.

Child support.—That welfare-to-work programs might succeed in raising employment and earnings but not income led to initiatives to supplement a mother's earnings. Supplements may be paid from the government (discussed above). Another type of supplement is a payment from the absent father in the form of child support payments.

Three types of initiatives that seek to increase child support payments have been evaluated:

1. Incentives for the custodial parents to help establish child support orders;
2. Increasing the amount of child support a family on welfare receives if the noncustodial parent pays child support (passing through child support payments); and
3. Increasing the earnings potential of noncustodial parents.

The New York Child Assistance Program (CAP) provided financial rewards to custodial parents that established child support orders. The program succeeded in producing increases in the establishment of orders, but failed to increase collections.

Only preliminary (1-year) results are available from Wisconsin's demonstration of a 100 percent passthrough of child support to families enrolled in its W–2 (welfare/work) program. No consistent impacts were found on establishment of paternity, child support orders, or percentage of cases with a payment. There were no signs during the 1-year followup period that noncustodial parents were more apt to make child support payments if they knew the receiving family, and not the government, would be the beneficiary of the payment. Families in the group that received the 100 percent passthrough did, of course, receive more child support than families that received only the $50 passthrough. Moreover, families that received the 100 percent passthrough were more likely to leave W–2 or "move up" in the program to higher levels of work activity.

The Parent's Fair Share Demonstration (seven sites) attempted to boost the incomes of noncustodial parents through employment services (job search, education and training). Through a six-quarter followup, the program increased employment in only three of the seven sites (Dayton, Ohio; Los Angeles, California; and Springfield, Massachusetts) and failed to increase the earnings of noncustodial parents in any of the sites. This demonstration boosted the percent of noncustodial parents that paid child support in only one site (Grand Rapids) and boosted the average amount of child support paid in two sites (Dayton and Grand Rapids).

Detail for economic status impact evaluations.—Table L–10, at the end of this appendix, shows economic status impacts for evaluations conducted after passage of the Family Support Act of 1988. Because economic well-being is affected by both welfare to work and family formation and structure outcomes, the table also summarizes outcomes for these categories. The major economic well-being outcome shown in the table is income as measured in the evaluation. Unless otherwise noted, the impacts shown are for the entire evaluation followup period. For detail on each evaluation shown in the table, see table L–9.

CHILD WELL-BEING IMPACTS

Most Federal and State welfare policies apply directly to parents, not children. They are aimed at promoting mothers' work and reducing their dependence on welfare. At the time of passage of TANF, some proponents maintained that the new program would help children by increasing earnings and hence family income, thereby providing more resources to meet children's needs, and by giving children the positive role model of a working parent. However, policies that promote and support work may also alter the child's well-being in other ways. For example, they may increase tension or stress in the adult's life because of the need to balance work with home and child care responsibilities. In addition, requiring mothers to work reduces their time to nurture children and requires them to find other care givers. Some critics maintained that TANF time limits and mandatory work requirements could result in harmful outcomes for children. Thus far under TANF, there has been a sharp rise in work by welfare mothers, and there is growing interest in how welfare to work and other policies have affected children.

With regard to outcomes for children, post-Family Support Act research generally shows:

1. A small number of evaluations have reported child well-being outcomes. Additional States will be releasing evaluations of child well-being impacts over the coming months.
2. The few evaluations of policy changes that directly impact children provide mixed results. The Georgia Preschool Immunization Project increased the rate of immunizations among children subject to the requirement, but Michigan's savings incentive for students produced no impacts on their earnings or employment.
3. Evaluations of policies that do not directly target child outcomes show few, if any, impacts on child well-being. The few impacts found have been small. NEWWS reported favorable impacts for children (e.g., school-related), but negative impacts were also reported in some sites (e.g., removal from mother's care). The Minnesota Family Investment Program (MFIP) reported generally favorable impacts for children, and these impacts may be attributed to the financial incentives in this program. Unlike the programs in the NEWWS evaluations, MFIP also reported positive impacts on measures of income.

Background and analytical issues

Research has illustrated the negative effects of poverty on children. Poor children generally score lower on assessments of health, cognitive development, school achievement, and emotional well-being. Poor children are more likely to be raised by a single parent, to be raised in neighborhoods with higher rates of crime, and to attend schools with fewer resources (Brooks-Gunn, Duncan, & Maritato, 1997). These findings have led many to contend that programs that raise the income of families may positively affect child well-being.

Under Temporary Assistance for Needy Families (TANF), States have designed programs that directly target outcomes such as employment, income, and receipt of cash assistance through work requirements, work incentives, and time limits on assistance. Measuring the impact of these welfare reform initiatives on children requires a look at the pathways through which they might indirectly affect child well-being. This is difficult, as these pathways may be directly or indirectly affected by policy (Child Trends, 1999).

Additional complexity is introduced because welfare policies may affect children in different ways at different ages. For example, many of the pre-TANF evaluations report results 2 years after the welfare evaluation began. Therefore, children who were age 4 when the evaluation began would be interviewed or assessed at age 6; children who were age 2 when the program began would be interviewed or assessed at age 4. The impact of policies on children needs to be interpreted in light of their age and developmental stage.

Highlights of selected evaluations

In general, evaluations of welfare initiatives that report outcomes for child well-being have examined two types of policies:

1. Policies designed to directly target child outcomes, including child immunization rates, school attendance, and employment and earnings of children; and
2. Policies that may indirectly affect child outcomes, including the child's behavior, academic functioning, and health and safety.

Policies that directly target child outcomes.—Policies that directly target child outcomes include requirements for up-to-date immunizations and exemption of a student's earnings from a family's counted income and resources. The impact of these policy initiatives can be measured and interpreted in a relatively straightforward manner. For example, researchers interested in the impact of up-to-date immunization requirements in the Georgia Preschool Immunization Project examined differences in immunization rates between an experimental group subject to the requirement and a control group not subject to the requirement. An evaluation of the Michigan waiver program, To Strengthen Michigan Families (TSMF), employed the same type of experimental design. Highlights from these two evaluations include:

—*Preschool Immunization Project.*—In 1992, Georgia received a waiver from the U.S. Department of Health and Human Services (DHHS) to implement a provision requiring up-to-date immunizations for welfare children. If children did not receive the immunization, the welfare benefit was decreased by the amount of that child's benefit. The evaluation of this provision found that immunization rates were higher for children in the group subject to this requirement.

—*TSMF.*—The TSMF evaluation operated from October 1992 through September 1996. TSMF provided that earnings of children who were students were to be disregarded as resources and thus could be put into savings accounts without counting against the Aid to Families with Dependent Children (AFDC) asset limit.[9] The program also created an incentive for families to provide up-to-date immunizations for their children. While no results were reported for immunizations, the evaluation also reported no impact on the earnings or employment of children. At the same time, the program found no impacts on placement in a foster home or on child abuse or neglect.

Policies that may indirectly impact child outcomes.—Evaluations of policy changes that may indirectly affect child well-being are often difficult for researchers, as collecting and interpreting appropriate outcome data is not straightforward.

When TANF was passed, some maintained that this new welfare program would help children by increasing family earnings and providing a role model of a working parent. Others maintained that work requirements and time limits on assistance would harm children by increasing stress in the home environment and reducing time for mothers to nurture and guide their children. Both statements indicate the importance of understanding and evaluating the indirect effects of policy on children. By affecting their parents, work requirements and time limits may indirectly affect overall child well-being.

Impact of mandatory participation requirements.—The Family Support Act of 1988 for the first time made single mothers with children as young as age 3 subject to mandatory participation requirements. The Teenage Parent Demonstration (TPD), which began in 1987 and operated in three sites, required teenage mothers to participate in work or training activities, thereby increasing their use of child care when their children were very young. Two of the sites—Camden, New Jersey and Chicago, Illinois—reported that these programs had neither harmful nor beneficial effects on child development. In the third site—Newark, New Jersey—a few negative impacts were reported, as children scored lower on math and reading achievement tests and the mothers also rated their children lower on a measure of social behavior. However, the differences were small and, the researchers contend, not developmentally meaningful.

NEWWS, which was mandated under the Family Support Act of 1988, also included mandatory requirements for participants in the 11 programs. The NEWWS evaluation is unique in that the evaluation provides results for labor force attachment programs (LFA, or work first programs) and for human capital development programs (HCD, or education-focused programs). Table L–6 presents results from the 2-year followup survey of families with school-aged children from the NEWWS evaluation.

Impacts of these welfare-to-work programs on school-aged children differed among the 11 programs in the 7 sites evaluated. Most of the programs had impacts on only one or two outcomes. Two programs, the Atlanta HCD and the Detroit program, had no impacts on any of the measurable outcomes. Four of the programs which operated in two sites (Grand Rapids and Riverside) increased the percent of children who attended a special class for behavioral or emotional problems, while two programs decreased the percent of

[9] Under longstanding AFDC law, a child/student's earnings also had to be disregarded as income.

children in these classes. Two programs, the Grand Rapids HCD and the Columbus traditional, increased the percent of children who were removed from their mother's care because the mothers could not handle or care for them, based on information provided by the parents. There were no impacts reported by any of the 11 programs on the percent of children who were taken to the hospital for accidents, injury, or poisoning.

TABLE L–6.—IMPACTS ON CHILD WELL-BEING FOR ALL SCHOOL-AGED CHILDREN IN THE NATIONAL EVALUATION OF WELFARE-TO-WORK STRATEGIES (NEWWS)

Outcome	Increase in occurrence	Decrease in occurrence
Impact on percent suspended from school.	Riverside LFA	No programs.
Impact on percent receiving or requiring help for behavioral or emotional problems.	Oklahoma City	Atlanta LFA Portland
Impact on percent who attended a special class for behavioral or emotional problems.	Grand Rapids LFD Grand Rapids HCD Riverside LFA Riverside HCD[1]	Atlanta LFA Columbus integrated
Impact on percent who repeated a grade	No programs.	Riverside LFA
Impact on percent who attended a special class for learning problems.	No programs.	Columbus integrated
Impact on percent who were removed from mother's care.	Grand Rapids HCD Columbus traditional.	No programs.
Impact on percent who were taken to hospital for accident, injury, or poisoning.	No programs.	No programs.

[1] Unlike the other HCD programs included in this table, the Riverside HCD only includes individuals who lack a high school diploma. Individuals in the other HCD programs were randomly assigned prior to this skills assessment and therefore may or may not have a high school diploma.

Note.—Results based on a survey of recipients in the 11 programs participating in the NEWWS evaluation.

Source: Table prepared by the Congressional Research Service based on a review of the NEWWS evaluation: U.S. Department of Health and Human Services and U.S. Department of Education (June 2000b).

While mandatory participation requirements are of interest to policymakers, under TANF, States also are implementing policies that "make work pay" through enhanced earnings disregards. These disregards enable individuals to continue receiving welfare at higher income levels. Programs that contain mandatory participation requirements (like NEWWS) increase earnings and employment, but do not appear to have any overall effect on income. However, programs that combine mandatory participation requirements with enhanced earnings disregards (like MFIP) do appear to increase income.

As a component of the MFIP evaluation, the sample included single mothers with children who were between the ages of 5 and 12, 3 years after the program began. Among this sample of single mothers, MFIP increased the percent who worked 30–34 hours per week, but also increased the percent who worked 20–29 hours per week. MFIP also decreased the percent of these mothers who had been abused by a domestic partner over the followup period (last 3 years). In general, MFIP had a favorable impact on children, by decreasing the incidence of behavior problems, and had favorable impacts on achievement measures such as performance in school and engagement in school. These favorable impacts for children, as well as the decrease in domestic abuse among the mothers, were attributed to the financial incentives in the MFIP, as the mandatory participation requirement had no impact on these outcomes. However, MFIP also increased the percentage of children who required a visit to an emergency room or clinic.

Table L–7 illustrates the impacts on child well-being in the MFIP Child Report and the NEWWS Child Outcome Study Report. The results for NEWWS differ from those discussed earlier for this evaluation, as the results shown in the table are based specifically on the Child Outcome Study. In the NEWWS evaluation, the child outcome sample includes children who were between the ages of 5 and 7 at the time of interview, with information provided for one child (the "focal" child, who was randomly chosen) for each family. Therefore, while table L–6 shows impacts for all school-aged children of the parents surveyed in the 11 programs, table L–7 shows impacts for children in 6 programs in NEWWS between the ages of 5 and 7 at the time of the interview. In the MFIP evaluation, the child study sample was between the ages of 5 and 12 at the time of the interview.

As table L–7 illustrates, MFIP found favorable impacts on behavior of children. Two programs in NEWWS (Atlanta LFA and Grand Rapids LFA) reported unfavorable impacts on behavior. Both MFIP and NEWWS reported favorable impacts on measures of academic functioning such as school performance (MFIP) and school readiness (NEWWS). Two of the programs in the NEWWS evaluations also reported unfavorable impacts on the health of the children, as reported by the parents. While this impact was found in the NEWWS Child Outcome Study, no impact was reported for any of the programs in the NEWWS evaluation when the sample was extended to include all school-aged children (as illustrated in table L–6).

Evaluators of the New Chance and New Hope Programs also reported impacts on child outcomes. At least initially, enrollment in these programs was voluntary. Once in the programs, participants were required to participate in specified activities to maintain eligibility.

Table L–8 highlights selected outcomes from the New Chance and New Hope evaluations for all children, and also based on the gender of the child. As with the previous evaluations highlighted in this section, the few impacts found were small. Children in the New Chance evaluation were between the ages of 5 and 10 at the time of the interview (the table is limited to those who were 18 months or older when the program began). Children in the New Hope evaluation were between the ages of 3 and 12 at the time of the interview, 2 years after the program began. Unlike the NEWWS and TPD evaluations, the child well-being outcomes in these reports were based on information supplied by parents as well as teachers. The results are reported separately for parents and teachers.

TABLE L–7.—IMPACTS ON WELL-BEING OF CHILDREN FROM THE MINNESOTA FAMILY INVESTMENT PROGRAM (MFIP) EVALUATION AND THE NATIONAL EVALUATION OF WELFARE-TO-WORK STRATEGIES (NEWWS)

Outcome	MFIP: long-term recipients in urban counties	NEWWS: child outcome sample
Behavioral measures/ adjustment outcomes.	Favorable impact on incidence of problem behaviors and on likelihood of a high level of behavioral and emotional problems.	Impacts were favorable and unfavorable, and were confined to two programs. The Atlanta LFA program had an unfavorable impact on total behavioral problems, but favorable impacts on externalizing behavior problems and positive behavior. Grand Rapids LFA had unfavorable impacts on externalizing behavioral problems.
Academic functioning/cognitive functioning.	Favorable impact on performance in school, performance in school below average, and engagement in school.	Favorable programs impacts related to academic functioning were found. The Atlanta LFA program had three favorable impacts, and the Atlanta HCD and Riverside HCD programs each had one favorable impact.
Health	No impacts were reported for general health rating.	Unfavorable program impacts were reported for general health rating. Two were reported in the Riverside LFA and two in the Riverside HCD.

Source: Table prepared by the Congressional Research Service based on information in: Gennetian and Miller (2000), and U.S. Department Health and Human Services and U.S. Department of Education (2000b).

In both New Chance and New Hope, most of the reported favorable impacts occurred primarily among boys. In the New Chance Program, while parents reported unfavorable behavior among boys (in decreased measures of autonomy and increased measures of depression), the teachers reported favorable impacts on their behavior. Similarly, a favorable impact on behavior for boys was found in the New Hope Program. While few impacts were reported for girls, these impacts were all negative and related to behavioral problems. However, as table L–8 illustrates, the impacts vary based on the source of information (parent or teacher). In addition, while not illustrated in the table, women in New Chance rated their children as having more behavior problems, but this impact was concentrated among young women who were at risk of depression at baseline.

TABLE L–8.—SELECTED FINDINGS ON CHILD WELL-BEING FROM THE NEW CHANCE AND NEW HOPE EVALUATIONS

	New Chance			New Hope		
	Child sample (Boys & Girls)	Boys	Girls	Child sample (Boys & Girls)	Boys	Girls
School readiness/education progress:						
Parent report	Decrease in academic performance.	No impact	Decrease in academic performance.	No impact	No impact	No impact.
Teacher report [1]	No impact	No impact	Decrease in measures of school readiness.	Increase in measures of academic performance.	Increase in measures of academic performance and classroom skills.	No impact
Social behavior:						
Parent report	Decrease in measures of total behavior.	Decrease in measures of autonomy.	No impact	No impact	Increase in measures of total behavior.	No impact.
Teacher report	No impact	Increase in measures of social competence.	Decrease in measure of total positive behavior.	Increase in measures of total behavior.	Increase in measures of total behavior.	No impact.
Problem behavior (externalizing and internalizing problems):						
Parent report	Increase in measure of total behavior problems.	Increase in measure of anxiousness/depression.	Increase in measure of total behavior problems.	No impact	No impact	No impact.

TABLE L–8.—SELECTED FINDINGS ON CHILD WELL-BEING FROM THE NEW CHANCE AND NEW HOPE EVALUATIONS—Continued

	New Chance			New Hope		
	Child sample (Boys & Girls)	Boys	Girls	Child sample (Boys & Girls)	Boys	Girls
Teacher report	No impact	Decrease in total behavior problem score.	No impact	No impact	Decrease in measures of aggression, hyperactivity, and frequency of disciplinary action.	Increase in measures of aggression and frequency of disciplinary action.

[1] In New Chance, the teacher report cells contain results from a test of school readiness components.

Source: Table prepared by the Congressional Research Service based on information in Bos et al. (1999) and Quint et al. (1997).

The New Hope evaluation gathered additional information to further examine the different impacts reported among boys and girls as part of their ethnographic study. Indepth interviews with members of the Child and Family Study sample were conducted to supplement the data collection. These interviews suggested that mothers in the program group believed that the boys were much more threatened than the girls by outside pressures such as gangs, and therefore spent more of the program's resources (such as child care subsidies for extended day programs) on the boys.

Role of child care.—Mandatory work programs that provide child care assistance found evidence of increased placements in formal, center-based care as illustrated in the MFIP evaluation and in some programs in the NEWWS evaluation. The evaluations of New Hope and New Chance also found increased placements in formal, center-based care among families in the program group. The extent to which formal, center-based child care is associated with greater educational opportunities and cognitive and language gains for children has been the subject of research (see section 9). This increase in the use of formal, center-based care has also been used in some of the evaluations to explain increases in "unfavorable" outcomes for children.

Unlike changes in earnings and employment, impacts on measures of child well-being are difficult to interpret. While some evaluations simply report an impact as favorable or unfavorable, it is generally not enough to report "unfavorable" impacts without further discussions of these outcomes. For example, as previously discussed, 2 of the 11 NEWWS programs increased the proportion of children who were removed from their mother's care, as reported by their parents. No additional information on the placement of these children is available, such as whether these children are in foster care, living with their fathers, or living with other relatives, and therefore, it is difficult to evaluate this finding.

Ongoing efforts

While MFIP and NEWWS have reported initial impacts of welfare policy changes on child well-being, additional States will be releasing evaluations of child well-being impacts over the coming months. In addition to Minnesota, four States—Connecticut, Florida, Indiana and Iowa—have received grants from DHHS to evaluate child well-being impacts as part of their efforts to evaluate welfare reform.

COST BENEFIT ISSUES

Many welfare reform initiatives, such as the operation of a welfare-to-work program, cost Federal and State governments money. Evaluations of welfare reform initiatives often examine the benefits achieved by a program in relation to their costs (cost benefit analysis). The costs of welfare reform initiatives can be recouped if, over the long run, welfare payments are lowered. Employment-focused ("work first") programs, on average, have lower costs than those that promote education. Thus, it appears more likely that costs of a "work first" program can be recouped than costs of an education-focused program. Moreover, the benefits from a "work first" type of program tend to be immediate, while those from an education-focused program take time to emerge. However, the benefits of "work first" programs often peak in the first few years, and longer followup reports indicate that overall impacts may be minimal. In education-focused programs, individuals forgo immediate earnings for education and training services. The benefits of these programs often come much later than programs that promote work first, because individuals enter employment and often leave welfare after they complete their education programs.

Under pre-TANF law, the Federal and State governments could have recouped welfare reform costs over the long run if the program succeeded in reducing welfare rolls. Under TANF, States receive block grants and are required to maintain a minimum level of State spending, regardless of changes in the size of their caseload. Nonetheless, States may continue to benefit from reducing the rolls, as this "frees up" money for other purposes for which they can use Federal TANF or State maintenance-of-effort funds.

Cost benefit analyses report both the benefits and costs to the government and the benefits and costs to participants. Programs that increase participant income provide a benefit to the participants. As discussed in previous sections, programs that provide enhanced earnings disregards (such as the Minnesota MFIP) create an incentive to work by allowing welfare recipients to keep more of their cash welfare benefit in combination with their earnings. These programs increase participant income. However, they also constitute a cost to the government.

Though cost benefit analyses are useful in examining some TANF goals, such as reducing dependence on government benefits through increased work, they are unlikely to be informative about the benefits of achieving other TANF and welfare policy goals. Cost benefit analysis is considered a much less effective tool for programs where many of the benefits cannot be quantified in monetary terms, and for programs where goals other than efficiency are important (Boardman et al., 1996). Goals of the welfare programs examined in this appendix include promotion of work and ending dependence on cash welfare, but many of these programs also include self-sufficiency and child and family well-being among their stated purposes. These goals are not easy to quantify in monetary terms. For example, welfare reform initiatives may increase employment among single mothers, but may also require increased use of formal child care arrangements. Although the financial cost of child care may be known, its impact on child well-being is more difficult to measure.

FINDINGS FROM LEAVER STUDIES

Since 1994, the welfare caseloads have dropped 48 percent, with the fastest caseload declines occurring since passage of the welfare reform law in 1996. As the caseloads have declined, there has been growing interest in how former welfare recipients ("leavers") are faring. This section briefly summarizes more than 30 State studies of the circumstances of families who left TANF, or AFDC waiver programs with some TANF-like requirements. These studies constitute the bulk of research available since the enactment of TANF. This section reviews only studies completed as of January 2000 and focuses on families with an adult who formerly received cash welfare (that is, the results exclude cases in which the only recipient was a child).

MONITORING STUDIES

The studies undertaken by the States to track those who have left welfare are fundamentally different from the impact evaluations discussed in the previous sections. Impact evaluations are designed to measure the difference between two sets of policies to determine how policy changes have affected reported outcomes. Studies of welfare leavers are monitoring studies, which are not designed to determine the impact, or effect, of a policy initiative. Rather, monitoring studies track those who have left welfare and provide information on why they left welfare and how they are currently doing.

States are only required to provide information to DHHS on a recipient's final month of cash welfare; they are not expected to track closed cases in order to collect information on families for months after the family has left the rolls. Nonetheless, many States have chosen to examine the circumstances and characteristics of this population. Because these studies have been initiated by individual States, comparability across the studies is difficult. The studies track recipients who left welfare during different periods of time and remained off welfare for different periods of time; the studies also have followed welfare leavers for different lengths of time. To help standardize this information and support State data collection efforts, DHHS has awarded funding to 14 sites in fiscal year 1998 to support monitoring studies.[10] The 14 DHHS studies use a common definition of the "leaver" population, studying those who leave cash assistance and remain off the rolls for at least 2 months (U.S. Department of Health and Human Services, 2000).

State leaver studies have used both administrative data and survey data to monitor former welfare recipients. Studies that use administrative data are able to track a much larger number of former recipients if they appear in the data sets. For example, most individuals who leave welfare for employment appear in the State's unemployment insurance (UI) wage files. However, these files collect quarterly data, and information on the hourly wage rate and number of hours worked per week is not available.

To collect information on outcomes such as the hourly wage rate, States have conducted surveys of a sample of welfare leavers with the goal of generalizing these results to the entire population of leavers. However, studies that use survey data have found that gathering information from individuals who no longer receive cash welfare is difficult. Information collected through a survey represents the situations of those who respond to the survey. If a number of individuals do not respond, the results become difficult to interpret. Previous reviews of State leaver studies have not included results from studies with low response rates, given the difficulty in generalizing these results to a larger population (U.S. General Accounting Office, 1999).

[10] Grants were awarded to Arizona, the District of Columbia, Florida, Georgia, Illinois, Massachusetts, Missouri, New York, South Carolina, Washington, Wisconsin, Cuyahoga County (Ohio), Los Angeles County (California), and a consortium of San Mateo, Santa Clara and Santa Cruz counties in California. Any reports available as of January 2000 are included in this appendix.

All State leaver studies available as of January 2000 are included in this review, regardless of their response rate. It is important to be aware that the results shown reflect information about individuals who responded to the surveys, and no information is available on those who did not respond. If the nonrespondents differ from the respondents, these results should not be generalized to a larger population. This section presents preliminary information about welfare leavers on a State-by-State basis.

WELFARE LEAVERS

Reason for case closing

The most common reasons for case closings among former welfare recipients are employment- and income-related. Those who left for income-related reasons include those for whom income exceeded cash welfare eligibility guidelines and those who report additional income in the household, such as income from other household members. Among those States that explicitly ask whether marriage was a factor, fewer than 5 percent of former welfare recipients listed marriage as a reason for case closing.

With the new TANF requirements, there has been a growing interest in recipients who leave welfare for reasons other than employment. Three studies (Connecticut, North Carolina, and Virginia) included only recipients who left welfare because they hit a State-imposed time limit that was shorter than the Federal 60-month time limit. States also examined sanctions as reasons for case closings. Two of the studies (Iowa and Tennessee) included only recipients who left because of a sanction, and 20 percent of recipients leaving welfare in Arizona indicated that a sanction was the reason for case closing. Some States also examined whether failure to redetermine eligibility or failure to cooperate was a reason for case closing. In Maryland, one in four cases was closed for failure to reapply or redetermine eligibility. Finally, a small number of States that used surveys to collect information asked about “hassle” affecting the desire to continue receiving assistance. However, hassle does not appear to be a common reason for case closing. In Florida, only 2 percent of former recipients expressed that welfare was “too much hassle.”

Employment and earnings

Highlights of the State welfare leaver studies related to employment and earnings include:

—*Employment rates.*—In studies based on administrative data (11 States), employment rates ranged from 50 to 64 percent in the quarter after exit but increased to 66–86 percent when based upon employment at any time since exit. Studies using survey data (29 States) found generally higher employment rates and a broader range, from 35 to 83 percent, at the time of the survey.

—*Earnings.*—In studies based on administrative data (11 States), quarterly earnings in the first quarter after exit ranged from $2,192 to $3,393; by the fourth quarter earnings had risen by about 12 percent, on average. Survey data (14

States) reported that average hourly wages ranged from $5.50 to $8.16.

Survey data indicated that most welfare leavers were employed in retail or clerical occupations. Studies that use survey data also showed wide variation in self-reported reasons for unemployment among welfare leavers. From 14 to 48 percent of unemployed leavers (in eight reporting States) cited inability to find a job or to find one that paid enough. Other reasons included: physical or mental illness (self) from 11 to 49 percent (8 reporting States); physical or mental illness of another person from 7 to 49 percent (7 States); child care problems from 5 to 45 percent (10 States); and transportation problems from 4 to 35 percent (10 States).

Income

One of the primary reasons for conducting monitoring studies of welfare recipients is to determine their current economic circumstances. The impact evaluations discussed earlier show that welfare-to-work programs have succeeded in increasing earnings and employment among program participants, but the impact on overall income depends on the types of program services. Those programs that offer financial incentives to work through enhanced earnings disregards, have succeeded in raising the overall income of participants. However, a number of these individuals remain on the rolls, as their increased income includes continued cash assistance. Programs that do not include financial incentives have not seen an increase in overall income, but rather indicate that individuals are replacing welfare benefits with earnings.

The welfare leavers studies, which focus on those who have left cash welfare, tell a similar story. Some of these studies indicate that average hourly wages ranged from $5.50 to $8.16 an hour. In these States, the average wages are above the minimum wage, and are above the welfare guarantee for the State. However, income from the wages alone would still leave a family of three below the poverty level in most States.

There is growing interest in the need for “work supports.” Many families that leave welfare are not covered by health insurance and are having difficulty paying for, or acquiring, child care. The impact evaluations illustrate that welfare-to-work programs that provide financial incentives to work and keep people on welfare also may keep them on Medicaid and, therefore, provide continuous health insurance coverage. The leaver studies indicate that those who have left welfare altogether for employment, have not always replaced their previous Medicaid coverage with employer-provided health insurance. In addition, individuals who have left welfare have indicated some barriers to child care (Schumacher & Greenberg, 1999).

Returns to welfare

In nine States, from 13 to 36 percent of leavers returned to welfare within 1 year or at the time of the survey. This count excludes “churners,” or persons who returned to welfare within 1 or 2 months after exit. In two other States, some leavers said they would return to TANF if it were possible.

Hardship

Measures of hardship have included receipt of other types of assistance to supplement earnings, as well as difficulties experienced since exiting cash welfare. The measures collected differ by State, and there is substantial variation in the outcomes. For example, survey data indicated that from 3 to 30 percent of former recipients (in 10 reporting States) received help from food pantries. In addition, between 8 and 43 percent were unable to get medical attention (11 States), 5–22 percent had moved or been evicted since exiting the rolls (12 States), and 10–59 percent had been behind in paying, or unable to pay, 1 or more utility payments (12 States).

Detail for leaver studies

Table L–11, at the end of this appendix, presents selected outcomes from the State evaluations of former welfare recipients.

ONGOING AND FUTURE RESEARCH

Even before passage of the 1996 welfare reform law, numerous governmental and other organizations were involved in efforts to determine the effects of welfare policy changes. Many of these evaluations began under the old AFDC Program, but have continued under TANF. The creation of TANF also led to a number of new, ongoing projects to monitor the effects of welfare reform.

EFFORTS BY GOVERNMENTAL AGENCIES

The welfare reform law of 1996 appropriated more than $200 million for fiscal years 1996–2002, for evaluation efforts related to welfare reform. This includes $10 million annually for the U.S. Census Bureau to collect data on families in the 1992 and 1993 panels of the Survey of Income and Program Participation. This continuation of the Survey of Income and Program Participation, called the Survey of Program Dynamics, is intended to provide a nationally representative sample of the population to enable evaluations of the impact of TANF. The welfare reform law also appropriated $6 million annually for the U.S. Department of Health and Human Services (DHHS) to conduct a longitudinal study of children and families who come in contact with the child protection system, commonly referred to as the National Survey of Child and Adolescent Well-Being (see section 11 for more details on this survey). As of June 2000, data collection for these efforts is underway, and the U.S. Census Bureau has begun to release data files for the Survey of Program Dynamics.

Amounts appropriated by the 1996 law also include $15 million for each of fiscal years 1997–2002 to support ongoing efforts by DHHS to monitor and evaluate various welfare reform initiatives. At the point when TANF was created, DHHS had awarded waivers to 43 States under section 1115 of the Social Security Act, allowing them to waive certain Federal AFDC requirements but requiring them to conduct an evaluation of the waiver programs. Initiatives undertaken through these waivers include ending benefits for violations of work requirements (sanctions), imposing time limits on assistance, and offering generous work rewards. Under TANF, States have the option of continuing these waivers for as long as they were initially approved, but are no longer mandated to evaluate their programs. To date, most of the information available on the impacts of welfare reform initiatives has been provided through waiver evaluations begun under Aid to Families with Dependent Children (AFDC) and sponsored by DHHS.

As part of its research agenda to evaluate the impact of welfare reform, DHHS has provided support for various activities including:

—Continuation of 9 existing waiver evaluations and support of 10 "modified" waiver evaluations (to evaluate welfare reform initiatives begun under waivers and subsequently incorporated into State TANF Programs). Reports on the effects of policy changes in eight of the existing waiver evaluations are reviewed in this appendix. However, most of these evaluations are ongoing, and longer followup reports will be available in the future.

—Evaluations of the effects of welfare reform on children. In addition to the National Survey of Child and Adolescent Well-Being, DHHS is funding child impact studies to augment the welfare reform waiver evaluations in five States (Connecticut, Iowa, Minnesota, Indiana, and Florida). As of June 2000, only Minnesota had released a report on the effects of welfare reform on children.

—Evaluations of the effectiveness of new State investments to improve job retention and advancement for low-income parents. This project provides planning grants to build knowledge about alternative employment and retention and career advancement strategies to help welfare recipients sustain employment and advance. As of June 2000, DHHS had awarded grants to five States ready to move into the phase of implementing and testing their strategies, and had awarded planning grants to six States for further development of their initiatives.

Congress has also appropriated specific funding for research on welfare reform outcomes. These funds are being used by DHHS to support a range of initiatives, including studies of single mothers diverted from welfare (diversion) and studies of former welfare recipients (leavers). In fiscal year 1998, the welfare outcomes grants awarded by DHHS emphasized former recipients of TANF, with all 14 awardees studying this population. The fiscal year 1999 welfare outcomes grants awarded by DHHS have an emphasis on TANF diversion, with six of the seven grantees focusing their studies on the applicant population, and one grantee studying former welfare recipients. Reports on both these efforts will continue to be released in the future.

EFFORTS BY OTHER ORGANIZATIONS

In addition to DHHS, numerous organizations have undertaken efforts to monitor the effects of welfare reform. These include: [11]

[11] For a more detailed list of projects planned and underway to monitor the effects of welfare reform, see the *1998 Green Book* Appendix L: Monitoring the Effects of Welfare Reform (Committee, 1998).

1. *Assessing the New Federalism.*—This project is being conducted by the Urban Institute in Washington, DC, and is a major foundation-funded, multiyear comprehensive assessment of how State income support systems have changed as a result of welfare reform. The project includes a National Survey of America's Families which interviews nearly 50,000 people to provide comprehensive information on the well-being of adults and children as welfare reform is being implemented in the various States. The survey provides national estimates, as well as State-specific estimates for 13 States selected for intensive study. The Urban Institute has begun to release reports, as well as data files from the National Survey of America's Families.
2. *State Policy Documentation Project.*—This project, operated by the Center for Law and Social Policy and the Center on Budget and Policy Priorities in Washington, DC, monitors and reports on program changes (administration, eligibility, services and benefits provided) that States legislate and implement. The project covers changes in food stamps, general assistance, Temporary Assistance for Needy Families (TANF), and Medicaid Programs.
3. *Study of State Capacity.*—Conducted by the Rockefeller School of Government at the State University of New York in Albany, this 4-year study focuses on State governments' capacity to implement social programs, including family and children's services, welfare, work force development programs, and Medicaid. The study will conduct indepth case studies of up to 18 States, and particular management topics will be addressed in all 50 States. DHHS has also funded a topical study to examine "culture" change at the caseworker level as part of this larger effort.

ETHNOGRAPHIC STUDIES

Many of the evaluation studies underway are conducting indepth interviews with a small number of individuals to evaluate the effects of welfare reform. These ethnographic studies often complement larger data collection efforts and provide more detailed information on program participants. For example, the Manpower Demonstration Research Corporation is conducting a 5-year study of the effect of welfare reform in four large urban areas—Los Angeles, Miami, Cleveland, and Philadelphia. A component of this evaluation, the ethnographic study, will chronicle, indepth and over time, how approximately 40 welfare-reliant families in each site cope with the new rules and policies (Quint et al., 1999).

DETAILED TABLES

Table L–9 provides information about impact evaluations conducted after the passage of the Family Support Act of 1988. It includes information on the population that was studied (universe), the time period when persons were assigned to experimental and control groups (random assignment), the number of months or years following random assignment for which data were collected (followup), and the source of the information used in the evaluation (data type).

The table also includes information on the types of policy changes that were evaluated. These policy changes are categorized in the table using standardized terminology. However, it should not be assumed that all programs are identical to one another. Rather, there are likely numerous design and other differences among programs that all tested the same general policy approach (see table L–2 preceding the discussion of welfare-to-work outcomes, for a description of policy changes under welfare reform).

Table L–9 shows three major welfare-to-work outcomes: earnings, employment rates, and cash assistance payments. Unless otherwise noted, the outcome shown is as measured over the entire followup period. The outcomes are displayed as percentage changes. Some percentage changes reported in this table may differ if calculated based on the reported findings, due to rounding. The percentage changes reported in the table reflect the percentage changes as reported in the individual evaluations. Additionally, the actual levels (e.g., earnings amounts, employment rates) are shown in parentheses (outcomes for the experimental group versus outcomes for the control group) as reported in the individual evaluations. The table's earnings data represent earnings over the entire research sample and group, and include zero earnings for individuals for whom no work is reported. This illustrates the impact of the program on average earnings. (Average earnings for only those who actually did work would be higher.)

Table L–10 shows welfare-to-work, family formation, and economic status impacts for evaluations conducted after passage of the Family Support Act of 1988. Table L–11 presents selected outcomes from the State evaluations of former welfare recipients. For studies that use administrative data, the length of followup is reported. For studies that use survey data, the response rate is reported. Unlike the impact evaluations in tables L–9 and L–10, the average earnings reported in table L–11 for former welfare recipients are calculated among only those who report employment, rather than the entire sample of former welfare recipients regardless of employment status.

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988

National Evaluation of Welfare-To-Work Strategies

National Evaluation of Welfare-to-Work Strategies: Evaluating Alternative Welfare-to-Work Approaches: Two Year Impacts for Eleven Programs, June 2000

Author: Manpower Demonstration Research Corporation under contract for the U.S. Department of Health and Human Services and U.S. Department of Education

Sites: Atlanta, GA; Grand Rapids, MI; Riverside, CA; Columbus OH; Detroit, MI; Oklahoma City, OK; Portland OR

Atlanta employment-focused	**Universe:** JOBS mandatory population (parents of children age 3 or older) **Random assignment:** 1/92–1/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Employment-focused program	**Earnings:** Increase of 16% ($5,820 vs. $5,006) **Employment rate:** Increase of 7% (66% vs. 62%) **Cash assistance:** Decrease of 8% ($4,553 vs. $4,922)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Atlanta education-focused	**Universe:** JOBS mandatory population (parents of children age 3 or older) **Random assignment:** 1/92–1/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** Increase of 10% ($5,502 vs. $5,006) **Employment rate:** Increase of 5% (64% vs. 62%) **Cash assistance:** Decrease of 6% ($4,634 vs. $4,922)
Grand Rapids employment-focused	**Universe:** JOBS mandatory population (parents with children age 1 or older) **Random assignment:** 9/91–1/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Employment-focused program	**Earnings:** Increase of 22% ($5,674 vs. $4,639) **Employment rate:** Increase of 11% (78% vs. 70%) **Cash assistance:** Decrease of 19% ($5,944 vs. $7,347)
Grand Rapids education-focused	**Universe:** JOBS mandatory population (parents with children age 1 or older) **Random assignment:** 9/91–1/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** Increase of 13% ($5,219 vs. $4,639) **Employment rate:** Increase of 8% (75% vs. 70%) **Cash assistance:** Decrease of 11% ($6,512 vs. $7,347)
Riverside employment-focused	**Universe:** JOBS mandatory population (parents of children age 3 or older) **Random assignment:** 6/91–6/93 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Employment-focused program	**Earnings:** Increase of 30% ($5,488 vs. $4,213). Increase for those without a high school diploma or basic skills of 32% ($4,124 vs. $3,133) **Employment rate:** Increase of 34% (60% vs. 45%). Increase for those without a high school diploma or basic skills of 43% (56% vs. 39%) **Cash assistance:** Decrease of 14% ($8,292 vs. $9,600). Decrease for those without a high school diploma or basic skills of 14% ($8,894 vs. $10,302)
Riverside education-focused	**Universe:** JOBS mandatory population (parents of children age 3 or older) without a high school diploma or basic skills **Random assignment:** 6/91–6/93 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** No impact **Employment rate:** Increase of 24% (48% vs. 39%) **Cash assistance:** Decrease of 10% ($9,253 vs. $10,302)
Columbus integrated case management	**Universe:** JOBS mandatory population (parents of children age 3 or older) **Random assignment:** 9/92–7/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** Increase of 10% ($7,565 vs. $6,892) **Employment rate:** No impact over 2-year followup period. Last quarter of year 2: increase of 11% (52% vs. 47%) **Cash assistance:** Decrease of 13% ($4,775 vs. $5,469)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Columbus traditional case management	**Universe:** JOBS mandatory population (parents of children age 3 or older) **Random assignment:** 9/92–7/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** Increase of 10% ($7,569 vs. $6,892) **Employment rate:** No impact over 2-year followup period. Last quarter of year 2: increase of 8% (50% vs. 47%) **Cash assistance:** Decrease of 10% ($4,939 vs. $5,469)
Detroit	**Universe:** JOBS mandatory population (parents with children age 1 or older) **Random assignment:** 5/92–6/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** Increase of 9% ($4,369 vs. $4,001) **Employment rate:** Increase of 7% (62% vs. 58%) **Cash assistance:** No impact
Oklahoma City	**Universe:** New applicants in JOBS mandatory population (parents with children age 1 and older) **Random assignment:** 9/91–5/93 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Education-focused program	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** Decrease of 6% ($3,391 vs. $3,624)
Portland	**Universe:** JOBS mandatory population (parents with children age 1 and older) **Random assignment:** 2/93–12/94 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** Increase of 35% ($7,133 vs. $5,291) **Employment rate:** Increase of 18% (72% vs. 61%) **Cash assistance:** Decrease of 17% ($5,818 vs. $7,014)

New Chance Demonstration

New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children, October 1997

Author: Manpower Demonstration Research Corporation

Sites: Sixteen sites in ten States: California, Colorado, Florida, Illinois, Kentucky, Michigan, Minnesota, New York, Oregon, Pennsylvania

	Universe: Mothers 16–22 years old who (1) had first given birth age 19 or younger, (2) were receiving AFDC, (3) did not have a high school diploma or GED, and (4) were not pregnant when they entered the program. Participation in the New Chance Demonstration was voluntary **Random assignment:** 8/89–7/91 **Followup:** 42 months **Data type:** Survey	**Policy changes:** —Child care —Enhanced family planning services —Parenting workshops —Required participation in education-focused program (first-year) then employment	**Earnings:** No impact over 42-month followup period. Months 1–6: Decrease of 27% ($263 vs. $358). Months 7–18: Decrease of 17% ($1,096 vs. $1,323). Months 18–42: No impact **Employment rate:** No impact over 42-month followup period. Months 1–6: Decrease of 26% (15% vs. 20%). Months 7–42: No impact **Cash assistance:** Percent who ever received AFDC over 42-month followup period: Increase of 1% (99% vs. 98%)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Parent's Fair Share (PFS) Demonstration
Building Opportunities, Enforcing Obligations: Implementation and Interim Impacts of Parent's Fair Share, December 1998
Author: Manpower Demonstration Research Corporation
Sites: Los Angeles, CA; Jacksonville, FL; Springfield, MA; Grand Rapids, MI; Trenton, NJ; Dayton, OH; Memphis, TN

Universe: Noncustodial parents **Random assignment:** 4/94–12/95 **Followup:** 18 months **Data type:** Administrative data	**Policy changes:** —Enhanced child support establishment —Mixed employment/education program —Promote parent interaction	**Earnings:** No impact for seven sites combined. Site with impact: Jacksonville, FL: decrease of 13% ($7,843 vs. $8,990) **Employment rate:** No impact for seven sites combined. Sites with impacts: Dayton, OH increase of 17% (81% vs. 70%), Los Angeles, CA increase of 19% (70% vs. 58%), Springfield, MA decrease of 9% (78% vs. 86%) **Cash assistance:** Not reported

Teenage Parent Demonstration (TPD)
Moving into Adulthood: Were the Impacts of Mandatory Programs for Welfare-Dependent Teenaged Parents Sustained After the Programs Ended?, February 1998
Author: Mathematica Policy Research, Inc.
Sites: Chicago, IL; Camden, NJ; Newark, NJ

Universe: Teenagers who were first-time parents receiving AFDC **Random assignment:** 7/87–4/90 **Followup:** 6 years **Data type:** Administrative data, child development assessments, survey	**Policy changes:** —Child care —Mixed employment/education program —Provide for work-related expenses	**Earnings:** No impact **Employment rate:** Camden: Increase of 8% (75% vs. 70%). Newark: Increase of 7% (75% vs. 70%). Chicago: Increase of 4% (78% vs. 76%) **Cash assistance:** Camden: No impact. Newark: No impact. Chicago: Decrease of 5% ($11,645 vs. $12,216)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Alabama: Avenues to Self-Sufficiency through Employment and Training Services (ASSETS)
Evaluation of the Alabama Avenues to Self-Sufficiency Through Employment and Training Services (ASSETS) Demonstration, January 1997
Author: Abt Associates Inc.
Sites: Three counties in Alabama: Clarke, Limestone, and Madison

Universe: AFDC and food stamp cases. Focus on participants age 16–59 for employment and training services **Study duration:** 7/90–6/94 **Data type:** Administrative data	**Policy changes:** —Applied AFDC child support cooperation requirement to food-stamp-only households —Asset limit increase —Food stamp benefit combined with cash grant (food stamp cashout) —Mixed employment/education program —Personal responsibility sanctions	**Earnings:** Year 3 impacts: Clarke County: Decrease of 11% ($2,758 vs. $3,096). Limestone County: No impact. Madison County: Decrease of 5% ($2,925 vs. $3,076) **Employment rate:** Percent employed in 12th quarter: Clarke County: Decrease of 11% (37% vs. 41%). Limestone County: Decrease of 8% (36% vs. 39%). Madison County: Decrease of 5% (36% vs. 38%) **Cash assistance:** Year 3 impacts Clarke County: Increase of 9% ($1,930 vs. $1,779); Limestone County: Decrease of 9% ($1,107 vs. $1,222); Madison County: Increase of 3% ($1,446 vs. $1,409)

Arizona: Employing and Moving People Off Welfare and Encouraging Responsibility (EMPOWER)
Evaluation of the Arizona EMPOWER Welfare Reform Demonstration, May 1999
Author: Abt Associates Inc.
Sites: Three sites in Phoenix and one site on the Navajo Reservation

Universe: Ongoing recipients as of 10/95 **Random assignment:** 10/95 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Family cap —Personal responsibility sanctions —Required participation in employment and training services for minor parents —Required unwed minor parents to live with parent or responsible adult —Time limit (adult only) —Transitional benefits extension (Medicaid) —Two-parent family eligibility	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** Average monthly cash benefit: Decrease of 6% ($137 vs. $146)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

California: Greater Avenues for Independence (GAIN)
GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program, September 1994
Author: Manpower Demonstration Research Corporation
Sites: Six counties in California: Alameda, Butte, Los Angeles, Riverside, San Diego, and Tulare

Alameda	**Universe:** Long-term recipients who were GAIN mandatory (for single parents, child age 6 or older) **Random assignment:** 7/89–5/90 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** Increase of 30% ($6,432 vs. $4,941) **Employment rate:** Increase of 20% (49% vs. 41%) **Cash assistance:** Decrease of 4% ($17,593 vs. $18,375)
Butte	**Universe:** GAIN mandatory recipients (for single parents, child age 6 or older) **Random assignment:** 3/88–3/90 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** No impact
Los Angeles	**Universe:** Long-term recipients who were GAIN mandatory (for single parents, with children age 6 or older) **Random assignment:** 7/89–3/90 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** No impact **Employment rate:** Increase of 13% (39% vs. 35%) **Cash assistance:** Decrease of 6% ($17,314 vs. $18,319)
Riverside	**Universe:** GAIN mandatory recipients (for single parents, with child age 6 or older) **Random assignment:** 8/88–3/90 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** Increase of 49% ($9,448 vs. $6,335) **Employment rate:** Increase of 26% (67% vs. 53%) **Cash assistance:** Decrease of 15% ($11,284 vs. $13,267)
San Diego	**Universe:** GAIN mandatory recipients (for single-parent families, with child age 6 or older) **Random assignment:** 8/88–9/89 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** Increase of 22% ($9,786 vs. $8,014) **Employment rate:** Increase of 10% (62% vs. 57%) **Cash assistance:** Decrease of 8% ($13,283 vs. $14,419)
Tulare	**Universe:** GAIN mandatory recipients (for single parents, with child age 6 or older) **Random assignment:** 1/89–6/90 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** No impact **Employment rate:** Increase of 8% (60% vs. 55%) **Cash assistance:** No impact

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

California: Los Angeles Jobs-First Greater Avenues for Independence (GAIN)
Los Angeles Jobs-First GAIN evaluation: First-Year Findings on Participation Patterns and Impacts, June 1998
Author: Manpower Demonstration Research Corporation
Site: Los Angeles County

Universe: Jobs First GAIN mandatory recipients (for single parents, caring for a child age 3 or older) **Random assignment:** 4/96–9/96 **Followup:** 1 year **Data type:** Administrative data	**Policy changes:** —Employment-focused program	**Earnings:** Increase of 31% ($3,187 vs. $2,438) **Employment rate:** Increase of 25% (54% vs. 43%) **Cash assistance:** Decrease of 8% ($5,363 vs. $5,795)

Connecticut: Jobs First
Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative, February 2000
Author: Manpower Demonstration Research Corporation
Sites: New Haven and Manchester

Universe: Jobs First enrollees **Random assignment:** 1/96–6/96 **Followup:** 30 months **Participation in welfare-to-work requirement:** For experimental group, parents with child age 1 or older. For control group, parents with child age 2 or older **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Child support liberalization —Earnings disregard enhancement —Employment-focused program —Family cap —Time limit —Transitional benefits extension (Medicaid and child care) —Two-parent family eligibility —Work requirements: younger child —Work sanctions	**Earnings:** Increase of 11% ($13,244 vs. $11,951) **Employment rate:** Increase of 10% (82% vs. 74%) **Cash assistance:** Increase of 10% ($9,256 vs. $8,416)

Delaware: A Better Chance (ABC)
The Early Economic Impacts of Delaware's ABC Welfare Reform Program, December 1997
Author: Abt Associates Inc.
Sites: Five of Thirteen Delaware welfare offices: Carroll's Plaza, Georgetown, Hudson, Thatcher, and Williams

Universe: Ongoing cases and new applicants **Random assignment:** 10/95–9/96 **Followup:** 1 year **Data type:** Administrative data, survey	**Policy changes:** —Earnings disregard enhancement —Enhanced family planning services —Family cap —Personal responsibility sanctions —Required minor parent to live with adult guardian —Time limit —Two-parent family eligibility —Work-trigger time limit	**Earnings:** No impact over 1-year followup period. Increase in average total earnings only in quarter 4 (for those enrolling during ABC's first 6 months of operation (11/95–3/96) of 16% ($1,214 vs. $1,047) **Employment rate:** Increase of 20% (57% vs. 48%) **Cash assistance:** Decrease of 5% ($2,775 vs. $2,930)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Florida: Project Independence
Florida's Project Independence: Benefits, Costs, and Two-Year Impacts of Florida's JOBS Program, April 1995
Author: Manpower Demonstration Research Corporation
Sites: Nine counties in Florida: Bay, Broward, Dade, Duval, Hillsborough, Lee, Orange, Pinellas, and Volusia

Universe: AFDC parents (child age 3 and older) **Random assignment:** 7/90–8/91 **Followup:** 2 years **Data type:** Administrative data, survey	**Policy changes:** —Mixed employment/education program	**Earnings:** Increase of 4% ($5,766 vs. $5,539) **Employment rate:** Increase of 4% (66% vs. 64%) **Cash assistance:** Decrease of 6% ($4,028 vs. $4,293)

Florida: Family Transition Program (FTP)
FTP: The Family Transition Program: Implementation and Three-Year Impacts of Florida's Initial Time-Limited Welfare Program, April 1999
Author: Manpower Demonstration Research Corporation
Site: Escambia County

Universe: Single parents subject to FTP work requirements (not disabled, caring for a child age 7 months or older) **Random assignment:** 5/94–2/95 **Followup:** 3 years **Data type:** Administrative data	**Policy changes:** —Child care —Earnings disregard enhancement —Education-focused program —Time limit	**Earnings:** Increase of 18% ($11,442 vs. $9,679) **Employment rate:** Increase of 5% (82% vs. 78%) **Cash assistance:** Decrease of 11% ($3,703 vs. $4,147)

Illinois: Community Group Participation and Housing Supplementation Demonstration
Community Group Participation and Housing Supplementation Demonstration: Final Report, June 1995
Author: Abt Associates Inc.
Site: West Garfield Park neighborhood in Chicago, IL

Universe: Volunteers living in severely distressed neighborhoods **Random assignment:** 7/88–8/91 **Followup:** Varies from 35 to 54 months (analysis ends 6/94) **Data type:** Administrative data, survey	**Policy changes:** —Provision of services by community-based organization	**Earnings:** No impact **Employment rate:** Decrease of 15% (22% vs. 26%) **Cash assistance:** No impact

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Indiana: Welfare Reform Evaluation
The Indiana Welfare Reform Evaluation: Program Implementation and Economic Impacts After Two Years, November 1998
Author: Abt Associates Inc. and the Urban Institute

Universe: AFDC recipients and applicants **Random assignment:** 5/95–12/95 **Followup:** 2 years **Participation in welfare-to-work requirement:** For experimental group, changed in 6/97 from parents with children age 3 or older to parents with children age 2 or older **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Family cap —Mixed employment/education program —Personal responsibility sanctions —Required minor parent to live with adult —Time limit (adult only) —Two-parent family eligibility —Work requirements: younger child —Work sanctions	**Earnings:** Increase of 5% ($7,344 vs. $6,967) **Employment rate:** Increase of 2% (79% vs. 77%) **Cash assistance:** Decrease of 20% ($2,339 vs. $2,921)

Iowa: Family Investment Program (FIP)
Iowa's Family Investment Program: Two-Year Impacts, December 1998
Author: Mathematica Policy Research, Inc.
Sites: Nine counties in Iowa: Black Hawk, Linn, Polk, Pottawattamie, Woodbury, Clinton, Des Moines, Jackson, and Jones

Universe: Ongoing and applicant assistance cases. **Ongoing cases:** **Random assignment:** 10/93 **Followup:** 2 years **Applicant cases:** **Random assignment:** 10/93–9/94 **Followup:** 1 year **Participation in welfare-to-work requirement:** For experimental group, parents with child age 3 months or older. For control group, parents with child age 3 or older **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Benefit determination the same for parents and stepparents —Earnings disregard enhancement —Personal responsibility sanctions —Required participation in employment and training services for both persons in two-parent family —Transitional benefits extension (child care) —Two-parent family eligibility —Work requirements: younger child	**Earnings:** Ongoing cases: Year 1: Increase of 8% ($2,923 vs. $2,714) Year 2: Increase of 8% ($4,955 vs. $4,583) Applicant cases: Year 1: Increase of 12% ($6,828 vs. $6,126) **Employment rate:** Ongoing cases: No impact Applicant cases: Increase of 6% (77% vs. 73%) **Cash assistance:** Ongoing cases: Year 1: No impact Year 2: Decrease of 4% ($2,468 vs. $2,569) Applicants: No impact over 1-year followup period Quarter 1: increase of 7% ($547 vs. $510)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Michigan: To Strengthen Michigan Families (TSMF)
Final Impact Report: The Evaluation of To Strengthen Michigan Families (TSMF), September 1997
Author: Abt Associates Inc.
Sites: Four local offices: Kalamazoo (Kalamazoo Co.), Madison Heights (Oakland Co.), McNichols/Goddard (Wayne Co.), and Schaeffer/Six Mile (Wayne Co.)

	Universe: Three cohorts **Ongoing cohort:** **Random assignment:** 10/1/92 **Followup:** 4 years **Middle cohort:** **Random assignment:** 10/92–9/94 **Followup:** 2 years **Last cohort:** **Random assignment:** 10/94–9/95 **Followup:** 1 year **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Earnings disregard enhancement —Mixed employment/education program —Personal responsibility sanctions —Two-parent family eligibility —Work sanctions	**Earnings:** Ongoing cohort: Increase of 7% ($3,343 vs. $3,120) Other cohorts: No impact **Employment rate:** Ongoing cohort: Increase in average quarterly employment rate of 4% (37% vs. 36%) Other cohorts: No impact **Cash assistance—all cohorts:** No impact

Minnesota: Family Investment Program (MFIP)
Reforming Welfare and Rewarding Work: Final Report on the Minnesota Family Investment Program, June 2000
Author: Manpower Demonstration Research Corporation
Sites: Seven counties in Minnesota: Hennepin (Minneapolis), Anoka, Dakota, Mille Lacs, Morrison, Sherburne, and Todd

Long-term single-parent families	**Universe:** Single, long-term recipients in urban and rural counties **Random assignment:** 4/94–3/96 **Followup:** 3 years **Participation in welfare-to-work requirement:** For experimental group, parents with child age 1 or older (on welfare rolls for 2 years). For control group, parents with child age 3 or older **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Direct child care paid to provider —Earnings disregard enhancement —Food stamp benefit combined with cash grant —Work requirements: younger child —Work-trigger time limit	**Earnings:** Increase of 23% ($955 vs. $779) **Employment rate:** Increase of 35% (50% vs. 37%) **Cash assistance:** Increase of 11% ($1,745 vs. $1,569)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Long-term single-parent families—urban counties	**Universe:** Single, long-term recipients in urban counties **Random assignment:** 4/94–3/96 **Followup:** 3 years **Participation in welfare-to-work requirement:** For experimental group, parents with child age 1 or older (on welfare rolls for 2 years). For control group, parents with child age 3 or older **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Direct child care paid to provider —Earnings disregard enhancement —Food stamp benefit combined with cash grant —Work requirements: younger child —Work-trigger time limit	**Earnings:** Quarterly earnings: Year 1: Increase of 30% ($699 vs. $537) Year 2: Increase of 24% ($1,129 vs. $913) Year 3 (quarters 1–3): Increase of 11% ($1,441 vs. $1,298) **Employment rate:** Average quarterly employment rate: Year 1: Increase of 41% (46% vs. 33%) Year 2: Increase of 35% (53% vs. 39%) Year 3 (quarters 1–3): Increase of 26% (56% vs. 45%) **Cash assistance:** Average quarterly benefits: Year 1: Increase of 9% ($1,946 vs. $1,810) Year 2: Increase of 10% ($1,627 vs. $1,484) Year 3 (quarters 1–3): Increase of 13% ($1,380 vs. $1,227)
Long-term single-parent families—urban counties, without mandated participation	**Universe:** Single, long-term recipients in urban counties **Random assignment:** 4/94–3/96 **Followup:** 3 years **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Direct child care paid to provider —Earnings disregard enhancement —Food stamp benefit combined with cash grant	**Earnings:** No impact **Employment rate:** Average quarterly employment rate: Year 1: Increase of 21% (40% vs. 33%) Year 2: Increase of 9% (43% vs. 39%) Year 3 (quarters 1–3): Increase of 8% (48% vs. 45%) **Cash assistance:** Average quarterly benefits: Year 1: Increase of 13% ($2,035 vs. $1,810) Year 2: Increase of 20% ($1,774 vs. $1,484) Year 3 (quarters 1–3): Increase of 24% ($1,518 vs. $1,227)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Recent single-parent applicants—urban counties	**Universe:** Single applicants (short-term recipients) in urban counties **Random assignment:** 4/94–3/96 **Followup:** 3 years **Participation in welfare-to-work requirement:** For experimental group, parents with child age 1 or older (on welfare rolls for 2 years). For control group, parents with child age 3 or older **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Direct child care paid to provider —Earnings disregard enhancement —Food stamp benefit combined with cash grant —Work requirements: younger child —Work-trigger time limit	**Earnings:** No impact **Employment rate:** Average quarterly employment rate: Year 1: Increase of 6% (52% vs. 49%) Year 2: Increase of 7% (57% vs. 53%) Year 3 (quarters 1–3): Increase of 5% (58% vs. 55%) **Cash assistance:** Average quarterly benefits: Year 1: Increase of 26% ($1,289 vs. $1,024) Year 2: Increase of 26% ($907 vs. $722) Year 3 (quarters 1–3): Increase of 26% ($709 vs. $561)
Long-term single-parent families—rural counties	**Universe:** Single, long-term recipients in rural counties **Random assignment:** 4/94–3/96 **Followup:** 3 years **Participation in welfare-to-work requirement:** For experimental group, parents with child age 1 or older (on welfare rolls for 2 years). For control group, parents with child age 3 or older **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase —Direct child care paid to provider —Earnings disregard enhancement —Food stamp benefit combined with cash grant —Work requirements: younger child —Work-trigger time limit	**Earnings:** No impact **Employment rate:** Average quarterly employment rate: Year 1: Increase of 37% (44% vs. 32%) Year 2: Increase of 13% (50% vs. 45%) Year 3 (quarter 10): No impact **Cash assistance:** Average quarterly benefits: Year 1: Increase of 16% ($1,915 vs. $1,646) Year 2: Increase of 33% ($1,583 vs. $1,192) Year 3 (quarter 10): Increase of 37% ($1,345 vs. $983)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

New Jersey: Family Development Program (FDP)
A Final Report on the Impact of New Jersey's Family Development Program: Experimental-Control Group Analysis, October 1998
Author: Rutgers University
Sites: Ten counties in New Jersey: Atlantic, Camden, Cumberland, Essex, Hudson, Mercer, Middlesex, Monmouth, Passaic, and Union

Universe: AFDC families **Random assignment:** 10/92–12/94 **Followup:** Varies. Up to 17 quarters (for cases ongoing 10/92) **Participation in welfare-to-work requirement:** For experimental group, parents with children age 2 or older. For control group, parents with children age 3 or older **Data type:** Administrative data	**Policy changes:** —Continued benefits to families with stepfathers as long as family income below 150% of State's need standard —Family cap —Transitional benefits extension (Medicaid) —Work requirements: younger child	**Earnings:** Ongoing cases: No impact over 4-year followup period Year 1: Decrease of 25% ($522 vs. $695) Year 2: Decrease of 18% ($1,522 vs. $1,848) New cases: No impact over 4-year followup period Year 3: Decrease of 13% ($2,953 vs. $3,407) Year 4: Decrease of 14% ($3,966 vs. $4,605) **Employment rate:** No impact **Cash assistance:** No impact

New York: Child Assistance Program (CAP)
The New York Child Assistance Program: Five-Year Impacts, Costs, and Benefits, November 1996
Author: Abt Associates Inc.
Sites: Three counties in New York: Monroe (Rochester), Niagara (Niagara Falls) and Suffolk (Long Island)

Universe: Single-parent AFDC cases **Random assignment:** 4/89–3/90 **Followup:** 5 years **Data type:** Administrative data, survey	**Policy changes:** —Asset limit increase (no resource limit) —Earnings disregard enhancement —Food stamp cashout —No child support pass-through	**Earnings:** Increase of 20% ($15,882 vs. $13,268) **Employment rate:** Increase of 13% (29% vs. 26%) **Cash assistance:** No impact

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Ohio: Transitions to Independence Demonstration (Ohio JOBS)
JOBS Assignments in Ohio: Patterns and Impacts, December 1994
Author: Abt Associates Inc.
Sites: Fifteen counties in Ohio: Brown, Champaign, Clermont, Franklin, Lake, Lawrence, Montgomery, Perry, Pickaway, Richland, Seneca, Stark, Summit, Trumbull, and Wyandot

	Universe: JOBS mandatory adults (for single parents with child age 6 or older, after 6/91, child age 3 or older) **Random assignment:** 1/89–12/91 **Followup:** 3 years (early cohort), 2 years (later entrants) **Data type:** Administrative data	**Policy changes:** —Mixed employment/education program	**Earnings:** 12th quarter impacts for those assigned to: Basic education: Decrease of 34% ($410 vs. $624) Postsecondary education: No impact Job club: Increase of 22% ($991 vs. $811) Job readiness: No impact Community work experience: No impact **Employment rate:** Employed in 12th quarter for those assigned to: Basic education: Decrease of 17% (24% vs. 29%) Postsecondary education: No impact Job club: Increase of 28% (42% vs. 33%) Job readiness: Increase of 14% (39% vs. 34%) Community work experience: No impact **Cash assistance:** Not reported

Ohio Transitions to Independence
Final Impacts for JOBS and Work Choice, December 1994
Author: Abt Associates Inc.
Sites: 15 counties in Ohio for JOBS Demonstration: Brown, Champaign, Clermont, Franklin, Lake, Lawrence, Montgomery, Perry, Pickaway, Richland, Seneca, Stark, Summit, Trumbull, and Wyandot; One county for Work Choice: Montgomery County

Final Impacts for JOBS	**Universe:** Mandatory JOBS adults (for single parents, caring for a child age 6 or older) **Random assignment:** 1/89–12/91 **Followup:** Successive cohorts assigned to treatment and control groups beginning in 1989 and followed for 1, 2, or 3 years **Data type:** Administrative data	**Policy changes:** —Mixed employment/education program	**Earnings:** Early entrants: No impact Later entrants: Year 1: Decrease of 14% ($2,003 vs. $2,322) Year 2: Decrease of 14% ($2,939 vs. $3,421) **Employment rate:** Early entrants: Increase of 8% (61% vs. 57%) Later entrants: No impact over followup period Year 2: Decrease of 7% (46% vs. 49%) **Cash assistance:** No impact

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Final Impacts for Work Choice	**Universe:** AFDC recipients with young children (1–5 years old) **Random assignment:** 1/89–3/90 **Followup:** 18 months for early entrants; 1 year for later cohort **Data type:** Administrative data	**Policy changes:** —Mixed employment/education program	**Earnings:** Early entrants: Increase of 14% ($1,484 vs. $1,307) Later entrants: Decrease of 19% ($800 vs. $992) **Employment rate:** Early entrants: Increase of 9% (41% vs. 38%) Later entrants: No impact **Cash assistance:** No impact

Ohio: Learning, Earning, and Parenting (LEAP)
Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents: Ohio's Learning, Earning, and Parenting (LEAP) Program, August 1997
Author: Manpower Demonstration Research Corporation

	Universe: Pregnant teenagers and custodial teen parents who were on AFDC **Random assignment:** 8/90–9/91 **Followup:** 4 years **Data type:** Administrative data, survey	**Policy changes:** —Personal responsibility sanctions —School attendance bonus	**Earnings:** No impact over 4-year followup period. Increase in quarters 3–4 of 25% ($315 vs. $252) **Employment rate:** No impact over 4-year followup period. Increase in percent ever employed quarters 5–8 of 8% (44% vs. 41%) **Cash assistance:** Years 3 and 4: Decrease of 5% ($5,185 vs. $5,459)

Texas: Achieving Change for Texans (ACT)/TANF
Achieving Change for Texans Evaluation: Net Impacts Through December 1997, August 1998
Author: Texas Department of Human Services

Time limits	**Universe:** TANF recipients **Random assignment:** 6/96–12/97 **Followup:** Varies **Participation in welfare-to-work requirement:** For experimental group, parents with child age 4 or older (5 in some cases). For control group, parents with child age 3 or older **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Personal responsibility sanctions —Time limit (adult only) —Transitional benefits extension (Medicaid and child care) —Two-parent family eligibility	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** No impact
Responsibilities, employment, and resources in choices counties	**Universe:** TANF families **Random assignment:** 7/96–12/97 **Followup:** Varies **Participation in welfare-to-work requirement:** For experimental group, parents with child age 4 or older (5 in some cases). For control group, parents with child age 3 or older **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Personal responsibility sanctions —Transitional benefits extension (Medicaid and child care) —Two-parent family eligibility	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** Decrease in time on TANF. The proportion of time spent on TANF out of the maximum possible was 55% for the experimental group, 57% for the control group

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Responsibilities, employment, and resources in nonchoices counties	**Universe:** TANF recipients **Random assignment:** 1/97–12/97 **Followup:** Varies **Participation in welfare-to-work requirement:** Not applicable, program not offered in these counties **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Two-parent family eligibility	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** Decrease in time on TANF. The proportion of time spent on TANF out of the maximum possible was 64% for the experimental group, 67% for the control group

Vermont: Welfare Restructuring Project (WRP)
Forty-Two-Month Impacts of Vermont's Welfare Restructuring Project, September 1999
Author: Manpower Demonstration Research Corporation
Sites: Statewide (VT) with detailed focus on 6 of Vermont's 12 districts: Barre, Burlington, Newport, Rutland, Springfield, and St. Albans

Single-parent families	**Universe:** Families applying for and receiving assistance **Random assignment:** 7/94–6/95 **Followup:** 42 months **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Child support pass-through (only first $50 disregarded) —Earnings disregard enhancement —Transitional benefits extension (Medicaid and child care) —Work-trigger time limit	**Earnings:** Average quarterly earnings: Increase of 8% ($1,162 vs. $1,071) **Employment rate:** Increase of 10% (85% vs. 77%) **Cash assistance:** Quarterly cash benefits: Decrease of 6% ($772 vs. $820)
Single-parent families, without mandated participation	**Universe:** Families applying for and receiving assistance **Random assignment:** 7/94–6/95 **Followup:** 42 months **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Child support pass-through (only first $50 disregarded) —Earnings disregard enhancement —Transitional benefits extension (Medicaid and child care)	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** No impact

Virginia: Independence Program
Early Impacts of the Virginia Independence Program, November 1999
Author: Mathematica Policy Research, Inc.
Sites: Three counties in Virginia: Lynchburg, Prince William, and Petersburg (VIEW counties)

Lynchburg	**Universe:** AFDC cases that were on the rolls as of 7/95 **Random assignment:** 7/95 **Followup:** 2 years **Participation in welfare-to-work requirement:** For experimental group, parents with child 18 months or older **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Earnings disregard enhancement —Employment-focused program —Family cap —Personal responsibility sanctions —Required minor parents to live with adult —Time limit —Transitional benefits extension (Medicaid and child care) —Two-parent family eligibility —Welfare diversion —Work requirements: younger child —Work-trigger time limit	**Earnings:** No impact **Employment rate:** Year 1: Increase of 14% (58% vs. 51%) Year 2: No impact **Cash assistance:** Year 1: Decrease of 5% ($2,419 vs. $2,539) Year 2: No impact

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Prince William	**Universe:** AFDC cases that were on the rolls as of 7/95 **Random assignment:** 7/95 **Followup:** 2 years **Participation in welfare-to-work requirement:** For experimental group, parents with child 18 months or older **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Earnings disregard enhancement —Employment-focused program —Family cap —Personal responsibility sanctions —Required minor parents to live with adult —Time limit —Transitional benefits extension (Medicaid and child care) —Two-parent family eligibility —Welfare diversion —Work requirements: younger child —Work-trigger time limit	**Earnings:** No impact **Employment rate:** No impact **Cash assistance:** No impact
Petersburg (Post-VIEW)	**Universe:** AFDC cases that were on the rolls as of 7/95 **Random assignment:** 7/95 **Followup:** 2 years **Participation in welfare-to-work requirement:** For experimental group, parents with child 18 months or older **Data type:** Administrative data	**Policy changes:** —Asset limit increase —Earnings disregard enhancement —Employment-focused program —Family cap —Personal responsibility sanctions —Required minor parents to live with adult —Time limit —Transitional benefits extension (Medicaid and child care) —Two-parent family eligibility —Welfare diversion —Work requirements: younger child —Work-trigger time limit	**Earnings:** Year 1: Increase of 18% ($2,144 vs. $1,823) Year 2: Increase of 20% ($3,553 vs $2,950) **Employment rate:** Year 1: No impact Year 2: Increase of 11% (60% vs. 54%) **Cash assistance:** No impact in post-VIEW year. However, decrease in last 2 quarters (2 out of 3 VIEW quarters): Quarter 8: Decrease of 10% ($345 vs. $381) Quarter 9: Decrease of 13% ($294 vs. $336)

TABLE L–9.—WELFARE-TO-WORK OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Wisconsin: Milwaukee's New Hope Demonstration Project New Hope for People With Low Incomes: Two-Year Results of a Program to Reduce Poverty and Reform Welfare, April 1999 **Author:** Manpower Demonstration Research Corporation **Site:** Milwaukee, Wisconsin			
	Universe: Low-income adult volunteers (below 150% of poverty) living in two high-poverty neighborhoods in Milwaukee **Random assignment:** 8/94–2/95 **Followup:** 2 years **Data type:** Administrative data, ethnography survey	**Policy changes:** —Paid child care —Paid health insurance —Wage supplementation	**Earnings:** Full sample: No impact over 2-year followup period Year 1: Increase of 9% ($6,833 vs. $6,250) Employed full time entering program: No impact Not employed full time entering program: Increase of 13% ($11,898 vs. $10,509) **Employment rate:** Full sample: Increase of 6% (96% vs. 90%) Employed full time entering program: No impact Not employed full time entering program: Increase of 7% (94% vs. 87%) **Cash assistance:** Full sample: No impact Employed full time entering program: No impact over 2-year followup period Year 2: Decrease of 38% ($736 vs. $1,181) Not employed full time entering program: No impact

Source: Table prepared by the Congressional Research Service based on a review of research evaluations.

TABLE L–10.—ECONOMIC STATUS OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988

Evaluation	Welfare to work	Family formation	Economic status
National Evaluation of Welfare-To-Work Strategies National Evaluation of Welfare-to-Work Strategies: Evaluating Alternative Welfare-to-Work Approaches: Two Year Impacts for Eleven Programs, June 2000			
Atlanta employment-focused	**Earnings:** Increase of 16% **Cash assistance:** Decrease of 8% **Food assistance:** No impact	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Atlanta education-focused	**Earnings:** Increase of 10% **Cash assistance:** Decrease of 6% **Food assistance:** No impact	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Grand Rapids employment-focused	**Earnings:** Increase of 22% **Cash assistance:** Decrease of 19% **Food assistance:** Decrease of 8%	**Marital status:** No impact **Births:** No impact	**Income:** Year 2: Decrease of 4% ($7,443 vs. $7,746)

TABLE L–10.—ECONOMIC STATUS OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Evaluation	Welfare to work	Family formation	Economic status
Grand Rapids education-focused	**Earnings:** Increase of 13% **Cash assistance:** Decrease of 11% **Food assistance:** Decrease of 3%	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Riverside employment-focused	**Earnings:** Increase of 30% **Cash assistance:** Decrease of 14% **Food assistance:** Decrease of 13%	**Marital status:** Decrease of 20% (11% vs. 13%) in percent married and living with spouse at end of followup **Births:** No impact	**Income:** Year 2: Decrease of 5% ($7,516 vs. $7,874)
Riverside education-focused	**Earnings:** No impact **Cash assistance:** Decrease of 10% **Food assistance:** Decrease of 10%	**Marital status:** No impact **Births:** No impact	**Income:** Year 2: Decrease of 8% ($7,149 vs. $7,768)
Columbus integrated case management	**Earnings:** Increase of 10% **Cash assistance:** Decrease of 13% **Food assistance:** Decrease of 9%	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Columbus traditional case management	**Earnings:** Increase of 10% **Cash assistance:** Decrease of 10% **Food assistance:** Decrease of 7%	**Marital status:** No impact **Births:** Decrease of 41% (3% vs. 8%) in percent who had a baby since study entry	**Income:** No impact
Detroit	**Earnings:** Increase of 9% **Cash assistance:** No impact **Food assistance:** Decrease of 2%	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Oklahoma City	**Earnings:** No impact **Cash assistance:** Decrease of 6% **Food assistance:** No impact	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Portland	**Earnings:** Increase of 35% **Cash assistance:** Decrease of 17% **Food assistance:** Decrease of 9%	**Marital status:** No impact **Births:** No impact	**Income:** No impact
New Chance Demonstration New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children, October 1997			
	Earnings: No impact **Cash assistance:** Increase of 1% **Food assistance:** No impact	**Marital status:** Not reported **Births:** No impact	**Income:** No impact
Teenage Parent Demonstration (TPD) Moving into Adulthood: Were the Impacts of Mandatory Programs for Welfare-Dependent Teenaged Parents Sustained After the Programs Ended?, February 1998			
Camden	**Earnings:** No impact **Cash assistance:** No impact **Food assistance:** No impact	**Marital status:** Not reported **Births:** No impact	**Income:** Increase of 8% ($840 vs. $778)
Newark	**Earnings:** No impact **Cash assistance:** No impact **Food assistance:** No impact	**Marital status:** Not reported **Births:** No impact	**Income:** No impact

TABLE L–10.—ECONOMIC STATUS OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Evaluation	Welfare to work	Family formation	Economic status
Chicago	**Earnings:** No impact **Cash assistance:** Decrease of 5% **Food assistance:** No impact	**Marital status:** Not reported **Births:** No impact	**Income:** No impact
Arizona: Employing and Moving People Off Welfare and Encouraging Responsibility (EMPOWER) Evaluation of the Arizona EMPOWER Welfare Reform Demonstration, May 1999			
	Earnings: No impact **Cash assistance:** Decrease of 6% **Food assistance:** No impact	**Marital status:** No impact **Births:** Decrease of 60% (2% vs. 4%) in births to unwed minors	**Income:** No impact
California: Greater Avenues for Independence (GAIN) GAIN: Benefits, Costs, and Three-Year Impacts of a Welfare-to-Work Program, September 1994			
Alameda	**Earnings:** Increase of 30% **Cash assistance:** Decrease of 4% **Food assistance:** No impact	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Los Angeles	**Earnings:** No impact **Cash assistance:** Decrease of 6% **Food assistance:** Decrease of 6%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Riverside	**Earnings:** Increase of 49% **Cash assistance:** Decrease of 15% **Food assistance:** Decrease of 9%	**Marital status:** No impact **Births:** No impact	**Income:** No impact
San Diego	**Earnings:** Increase of 22% **Cash assistance:** Decrease of 8% **Food assistance:** Decrease of 6%	**Marital status:** No impact **Births:** No impact	**Income:** No impact
Tulare	**Earnings:** No impact **Cash assistance:** No impact **Food assistance:** No impact	**Marital status:** No impact **Births:** No impact	**Income:** Quarter 13: Increase of 8% ($2,014 vs. $1,865)
California: Los Angeles Jobs-First Greater Avenues for Independence (GAIN) Los Angeles Jobs-First GAIN evaluation: First-Year Findings on Participation Patterns and Impacts, June 1998			
	Earnings: Increase of 31% **Cash assistance:** Decrease of 8% **Food assistance:** Decrease of 8%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Connecticut: Jobs First Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative, February 2000			
	Earnings: Increase of 11% **Cash assistance:** Increase of 10% **Food assistance:** Increase of 6%	**Marital status:** No impact **Births:** No impact	**Income:** Increase of 10% ($26,933 vs. $24,555)

TABLE L–10.—ECONOMIC STATUS OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Evaluation	Welfare to work	Family formation	Economic status
Delaware: A Better Chance (ABC) The Early Economic Impacts of Delaware's ABC Welfare Reform Program, December 1997			
	Earnings: Quarter 4: Increase of 16% **Cash assistance:** Decrease of 5% **Food assistance:** Decrease of 6%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Florida: Project Independence Florida's Project Independence: Benefits, Costs, and Two-Year Impacts of Florida's JOBS Program, April 1995			
	Earnings: Increase of 4% **Cash assistance:** Decrease of 6% **Food assistance:** Decrease of 3%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Florida: Family Transition Program (FTP) FTP: The Family Transition Program: Implementation and Three-Year Impacts of Florida's Initial Time-Limited Welfare Program, April 1999			
	Earnings: Increase of 18% **Cash assistance:** Decrease of 11% **Food assistance:** Decrease of 8%	**Marital status:** Not reported **Births:** Not reported	**Income:** Increase of 5% ($20,083 vs. $19,215)
Indiana: Welfare Reform Evaluation The Indiana Welfare Reform Evaluation: Program Implementation and Economic Impacts After Two Years, November 1998			
	Earnings: Increase of 5% **Cash assistance:** Decrease of 20% **Food assistance:** Decrease of 3%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Iowa: Family Investment Program (FIP) Iowa's Family Investment Program: Two-Year Impacts, December 1998			
	Earnings: Increase of 8% **Cash assistance:** Year 1: No impact Year 2: Decrease of 4% **Food assistance:** Year 1: Decrease of 1% Year 2: Decrease of 3%	**Marital status:** Not reported **Births:** Not reported	**Income:** Year 1: Increase of 4% ($6,668 vs. $6,425) Year 2: Increase of 4% ($7,486 vs. $7,176)
Michigan: To Strengthen Michigan Families (TSMF) Final Impact Report: The Evaluation of To Strengthen Michigan Families (TSMF), September 1997			
	Earnings: Ongoing cohort: Increase of 7% Other cohorts: No impact **Cash assistance:** All cohorts: No impact **Food assistance:** Ongoing cohort: Decrease of 1% (average monthly receipt) Other cohorts: No impact	**Marital status:** Not reported **Births:** Not reported	**Income:** Ongoing cohort: Increase of 1% ($8,849 vs. $8,967) Other cohorts: No impact

TABLE L–10.—ECONOMIC STATUS OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Evaluation	Welfare to work	Family formation	Economic status
Minnesota: Family Investment Program (MFIP) Reforming Welfare and Rewarding Work: Final Report on the Minnesota Family Investment Program, June 2000 **Note:** The MFIP Program combined cash welfare and food stamps into one benefit, referred to in these entries as "welfare."			
Long-term single-parent families	**Earnings:** Increase of 23% **Welfare:** Increase of 11%	**Marital status:** Increase of 51% (11% vs. 7%) married at the end of 3 years **Births:** Not reported	**Income:** Increase of 15% ($2,700 vs. $2,348)
Long-term single-parent families—urban counties	**Earnings:** Year 3 (quarters 1–3): Increase of 11% **Welfare:** Year 3 (quarters 1–3): Increase of 13%	**Marital status:** No impact **Births:** Not reported	**Income:** Year 3 (quarters 1–3): Increase of 12% ($2,882 vs. $2,525)
Long-term single-parent families—urban counties, without mandated participation	**Earnings:** No impact **Welfare:** Year 3 (quarters 1–3): Increase of 24%	**Marital status:** Increase of 89% (11% vs. 6%) **Births:** Not reported	**Income:** Year 3 (quarters 1–3): Increase of 10% ($2,769 vs. $2,525)
Recent applicants—urban counties	**Earnings:** No impact **Welfare:** Year 3 (quarters 1–3): Increase of 26%	**Marital status:** No impact **Births:** Not reported	**Income:** Year 3 (quarters 1–3): Increase of 6% ($2,740 vs. $2,578)
Two-parent recipient families	**Earnings:** Decrease of 18% ($2,193 vs. $2,682) **Welfare:** Increase of 38% ($1,889 vs. $1,367)	**Marital status:** Increase of 40% (67% vs. 48%) married at the end of 3 years **Births:** Not reported	**Income:** Increase of 5% ($3,958 vs. $3,769)
Ohio: Learning, Earning, and Parenting (LEAP) Program Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents: Ohio's Learning, Earning, and Parenting (LEAP) Program, August 1997			
	Earnings: No impact **Cash assistance:** Years 3 and 4: Decrease of 5% **Food assistance:** Not reported	**Marital status:** Not reported **Births:** No impact	**Income:** No impact
Vermont: Welfare Restructuring Project (WRP) Forty-Two-Month Impacts of Vermont's Welfare Restructuring Project, September 1999			
Single-parent families	**Earnings:** Increase of 8% **Cash assistance:** Decrease of 6% **Food assistance:** No impact	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Single-parent families, without mandated participation	**Earnings:** No impact **Cash assistance:** No impact **Food assistance:** No impact	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact

TABLE L–10.—ECONOMIC STATUS OUTCOMES FOR IMPACT EVALUATIONS CONDUCTED SINCE THE PASSAGE OF THE FAMILY SUPPORT ACT OF 1988—Continued

Evaluation	Welfare to work	Family formation	Economic status
Virginia: Independence Program Early Impacts of the Virginia Independence Program, November 1999			
Lynchburg	**Earnings:** No impact **Cash assistance:** Year 1: Decrease of 5% **Food assistance:** Year 1: Decrease of 5% Year 2: Decrease of 12%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Prince William	**Earnings:** No impact (annual income, 2 quarters did see increases) **Cash assistance:** No impact **Food assistance:** Year 2: Decrease of 7%	**Marital status:** Not reported **Births:** Not reported	**Income:** No impact
Petersburg	**Earnings:** Year 1: Increase of 18% Year 2: Increase of 20% **Cash assistance:** No impact. 2 of 3 post-VIEW quarters, did see decreases **Food assistance:** Year 1: Increase of 3%	**Marital status:** Not reported **Births:** Not reported	**Income:** Year 1: Increase of 7% ($7,041 vs. $6,612) Year 2: Increase of 8% ($7,196 vs. $6,697)
Wisconsin: Milwaukee's New Hope Demonstration Project New Hope for People With Low Incomes: Two-Year Results of a Program to Reduce Poverty and Reform Welfare, April 1999			
Employed full time upon entering the program	**Earnings:** No impact **Cash assistance:** Year 2: Decrease of 38% **Food assistance:** No impact	**Marital status:** Not reported **Births:** Not reported	**Income:** Year 1: Increase of 14% ($11,190 vs. $9,843) Year 2: Decrease of 8% ($14,146 vs. $15,294)
Not employed full time upon entering the program	**Earnings:** Increase of 13% **Cash assistance:** No impact **Food assistance:** Year 2: Increase of 14%	**Marital status:** Not reported **Births:** Not reported	**Income:** Year 2: Increase of 13% ($11,213 vs. $9,915)

Note.—Some percentage changes reported in this table may differ if calculated based on the reported findings, due to rounding. The percentage changes reported in this table reflect the percentage changes as reported in the individual evaluations.

Source: Table prepared by the Congressional Research Service based on a review of research evaluations. Information concerning the data, the target populations, and the package of initiatives included in each evaluation is highlighted in the table of welfare-to-work outcomes in the previous section (table L–9). The outcomes presented in this table should be supplemented with the details of the evaluation highlighted in table L–9.

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS

Study	Earnings/recidivism	Health care/child care/food
Alabama: Alabama Welfare Reform Follow-up Survey, January 2000		
Universe: All cases closed between 7/98 and 11/98 that contained a valid Alabama phone number **Data type:** Survey conducted between 5/99 and 7/99, 7–12 months after exit **Response rate:** 416 respondents surveyed	**Earnings:** Average hourly wage: $6.08 **Hours of employment:** Average hours per week: 33.9 **Employment rate:** At time of survey: 53.8% **Recidivism:** Receiving cash assistance at time of survey: 15.1%	**Health assistance:** Receiving Medicaid (self/children): 33.7%/72.8% **Child care assistance:** Receiving help paying for child care: 20.4% **Food assistance:** Receiving food stamps: 59.9% Receiving WIC: 34.9%
Arkansas: Evaluation of Arkansas's Transitional Employment Assistance (TEA) Program, July 1999		
Universe: Cases closed between 6/96 and 12/98 **Data type:** Administrative data **Followup:** Up to 4 quarters (varies)	**Earnings (cases closed 7/97–9/98):**1st quarter after exit: $2,034; 4th quarter after exit: $2,299 **Employment rate (cases closed 7/96–9/98):** 1st quarter after exit: 50%; Ever employed since exit: 66% **Recidivism:** Ever received cash aid from 6/96–12/98: 23.2%	**Health assistance (cases closed 7/98–9/98):** Receiving Medicaid within 2 months of exit (adults/children): 56%/60%
Arizona: Cash Assistance Exit Study: First Quarter 1998 Cohort Final Report, January 2000		
Universe: All cases closed between 1/98 and 3/98 that remained closed for at least 2 months **Data type:** Administrative data **Followup:** 12 months	**Earnings:** 1st quarter after exit: $2,211; 4th quarter after exit: $2,511 **Employment rate:** 1st quarter after exit: 53.1%; 4th quarter after exit: 50.1%; Ever employed since exit: 73.3% **Recidivism:** Ever received cash aid in the 4 quarters since exit: 27.7%	**Health assistance:** Head of household ever received Medicaid in the 4 quarters since exit: 71.7% **Child care assistance:** Ever received child care in the 4 quarters since exit: 21.8% **Food assistance:** Ever received food stamps in the 4 quarters since exit: 66.5%
Arizona: Cash Assistance Exit Study: First Quarter 1998 Cohort Final Report, January 2000		
Universe: All cases closed between 1/98 and 3/98 that remained closed for at least 2 months **Data type:** Survey conducted 12–18 months after exit from cash assistance **Response rate:** 72%	**Earnings:** Average hourly wage: $7.52; Average total monthly household income: $1,467 **Hours of employment:** Average hours per week: 34.9 **Employment rate:** At time of survey: 58.4%	**Health assistance:** Receiving Medicaid at the time of survey (adult/children): 58.7%/71.8%
California: Examining Circumstances of Individuals and Families Who Leave TANF: Assessing the Validity of Administrative Data (Interim Report), May 1999		
Universe: One-parent cases closed in 1997 that remained closed for at least 2 months **Data type:** Administrative data **Followup:** 12 months	**Earnings:** 1st quarter after exit: $3,480; 4th quarter after exit: $3,869 **Employment rate:** 1st quarter after exit: 55.4%; 4th quarter after exit: 54.0%; Ever employed since exit: 73.7% **Recidivism:** Family member ever received cash aid in the 12 months after exit: 19.4%	**Health assistance:** Ever received nonassistance Medi-Cal in the 12 months since exit (adults/children): 34.6%/35.9% **Food assistance:** Percent of leavers with a member of their family ever receiving nonassistance food stamps in the 12 months since exit: 8.5%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Colorado: Evaluation of the Colorado Works Program: First Annual Report, November 1999		
Universe: Adult cases closed 7/97–9/97 that had not reopened as of 12/98 **Data type:** Administrative data **Followup:** 5 quarters (15 months)	**Earnings:** 1st quarter after exit: $2,400; 5th quarter after exit: $2,905 **Employment rate:** 1st quarter after exit: 52.4%; 5th quarter after exit: 51.5% **Recidivism:** Cases reopened by 12/98: 18.8%	**Health assistance:** Enrolled in Medicaid in the first 2 months after exit (adults/children): 29%/36%
Colorado: Evaluation of the Colorado Works Program: First Annual Report, November 1999		
Universe: Adult cases closed 7/97–9/97 that had not reopened as of 12/98 **Data type:** Survey conducted approximately 2 years after program exit, mostly between 6/99 and 8/99 **Response rate:** 78%	**Earnings:** Median wage per hour for respondent working: $8.16 **Hours of employment:** Less than 35 hours per week: 25.7%; 35 hours or more per week: 74.3% **Employment rate:** At time of survey: 65%; Ever employed since exit: 89%	**Health assistance:** Receiving Medicaid at time of survey (adults/children): 14.9%/43.2% **Child care assistance:** Employed respondents receiving government or employer child care subsidy: 14% **Food assistance:** Percent of eligible respondents receiving food stamps: 47%
Connecticut: Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results, January 1999		
Universe: Cases closed because of the 21-month time limit on cash assistance in 9/97 or 10/97 that did not receive an extension **Data type:** Survey conducted 6 months after exit **Response rate:** 82%	**Earnings:** Average hourly wage (primary job): $7.82; Average per week (from all jobs): $270 **Hours of employment:** Average hours per week at all jobs: 34.9 **Employment rate:** At time of survey: 83.0% **Recidivism:** Someone in the household may have received TFA or AFDC in the month before interview: 3.8%	**Food assistance:** Receiving food stamps: 50.2%; Average amount of food stamps: $218
Florida: After Leaving WAGES: Statewide Sample, March 1999		
Universe: Cases closed 10/96–9/98 **Data type:** Survey conducted in 10/98 and 11/98 **Response rate:** 51.5%	**Earnings:** $5.15 or less: 11.6%; $5.16–$6.99: 43.9%; $7 or more: 36.1% **Hours of employment:** Less than 40 hours: 43.9%; 40 or more: 53.6% **Employment rate:** At time of survey: 56.9% **Recidivism:** Would go back on WAGES if they could: 32.4%	**Health assistance:** Receiving health care (respondents/children): 48.6%/69.7% Receiving Medicaid (family): 67.7% **Child care assistance:** Receiving government child care assistance: 17.8% **Food assistance:** Receiving food stamps: 56.6% Receiving WIC: 28.9% Receiving School Lunch Program: 55.1% Receiving Summer Feeding Program: 7.4%
Georgia: Amended Quarterly Progress Report: Outcomes for Single-Parent Leavers by Cohort Quarter for January–March 1999 1st Quarter 1997 Leavers, April 1999		
Universe: Single-adult cases closed in 1997 that remained closed to cash aid for at least 2 consecutive months **Data type:** Administrative data **Followup:** 12 months	**Earnings:** 1st quarter after exit: $2,193; 4th quarter after exit: $2,389 **Employment rate:** 1st quarter after exit: 64.2%; 4th quarter after exit: 53.3%; Ever employed since exit: 73.9% **Recidivism:** Returned in 4th quarter after exit: 13.4%	Not reported

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Idaho: Project Self-Reliance: TAFI Participant Closure Study (II), March 1998		
Universe: Cases closed 7/97–12/97 **Data type:** Survey conducted in 1/98 between 1 and 5 months after exit from cash assistance **Response rate:** 16.5%	**Earnings:** Less than $5.25: 27%; $5.25–$7: 51%; $7.01 or more: 21% **Hours of employment:** 40 hours or more per week: 32.7% **Employment rate:** At time of survey: 52.9%	**Health assistance:** Receiving Medicaid: 80% **Child care assistance:** Survey respondents receiving help from child care program (government): 15.2% of total **Food assistance:** Receiving food stamps: 77% Receiving WIC: 41%
Illinois: When Families Leave Welfare Behind: First Survey Findings, January 1999		
Universe: Cases closed in 12/97 and 6/98 that remained closed for at least 2 months **Data type:** Survey conducted in 11/98 and 12/98, 5–11 months after exit from cash assistance **Response rate:** 30.5%	**Earnings:** Average hourly wage: $7.78 **Hours of employment:** Average hours worked per week: 35.8 **Employment rate:** At time of survey: 65.3%; Ever employed since exit: 85.2% **Recidivism:** Returned to TANF since leaving: 20.0%	**Health assistance:** Receiving Medicaid: (adult/children): 54.4%/59.1% Private health insurance (families): 29.7% **Child care assistance:** Receiving State help with weekly out-of-pocket child care expenses: 35.8% **Food assistance:** Receiving food stamps: 35% Receiving WIC: 26.8% Receiving School Lunch Program: 40.0%
Indiana: Who Is On and Who Is Off? Comparing Characteristics and Outcomes for Current and Former TANF Recipients, September 1997		
Universe: Families who had received AFDC sometime between 5/95 and 5/96 **Data type:** Survey conducted early in 1997, 12–18 months after individuals enrolled in the State's welfare demonstration program **Response rate:** Not reported	**Earnings:** Less than $6 per hour: 39.4%; $6–$7.99: 40.7%; $8 or more: 19.9% **Hours of employment:** Full time employment (35 or more hours per week): 61.7% **Employment rate:** At time of survey: 64.3%; Ever employed since exit: 84.3%	**Health assistance:** Receiving Medicaid (families): 52.9% Covered by health insurance (adults/children): 46.0%/65.1% **Child care assistance:** Received child care assistance from a community organization since exit: 6.4% **Food assistance:** Receiving food stamps: 37.9% Receiving WIC: 24.6% Receiving School Lunch Program: 46.2% Receiving School Breakfast: 34.7%
Iowa: Iowa's Limited Benefit Plan (LBP), May 1997		
Universe: Individuals in active welfare cases who, in 11/95, 12/95, or 1/96 entered month 7 of their initial assignment to the LBP **Data type:** Survey conducted between 2/96 and 4/96 (during months 7 and 12 of the limited benefit plan) **Response rate:** Not reported	**Earnings:** Average weekly earnings: $170.20 **Hours of employment:** Average number of hours worked: 31.27; percentage working 40 or more hours per week: 38.1% **Employment rate:** Ever employed since exit: 52.6%	**Health assistance:** Received Medicaid: 66.4% Health insurance available from most recent job held: 36.4% **Child care assistance:** Child care is a type of support received from family, friends and neighbors since Family Investment Program benefits were terminated **Food assistance:** Received food stamps: 63.5% Received WIC: 29.9%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Kansas: Statistical Summary of Leaver Survey: Twelve Month Survey Results, June 1999		
Universe: Cases closed 12/97–11/98 **Data type:** Survey conducted 12 months after exit **Response rate:** 51.8%	**Earnings:** Less than $5 per hour: 10%; $5.01–$7: 51%; $7.01 or more: 33% **Hours of employment:** Full-time employment (more than 37.5 hours/week): 65% **Employment rate:** At time of survey: 36% **Recidivism:** Temporary Assistance to Families (TAF) cases reopened: 18%; Average months off cash assistance: 7	**Health assistance:** Receiving medical assistance (families): 60% **Child care assistance:** Receiving child care: 6% **Food assistance:** Receiving food stamps: 30%
Kentucky: From Welfare to Work: Welfare Reform in Kentucky (No. 2) Second Year Survey of Discontinued K–TAP Recipients, January 1999		
Universe: Cases closed 1/97–11/97 that were still closed at the time of the survey **Data type:** Survey conducted 10/98 **Response rate:** 42%	**Earnings:** $5.15 or less per hour: 13.1%; $5.16–$6.99: 46.1%; $7 or more: 37.4% **Hours of employment:** 40 or more hours per week: 59.5% **Employment rate:** Left program for employment: 48.3% **Recidivism:** Would return to K–TAP if possible: 18.2%	**Health assistance:** Receiving Medicaid (adult): 27.8% Medical card or passport (children): 60.4% Receiving other medical insurance (adults/children): 27.0%/18.6% **Child care assistance:** Respondents using some type of child care: 37.5% Respondents using and paying for child care: 69.9% Respondents using and paying for child care who receive payment assistance; 28.1% **Food assistance:** Receiving food stamps: 45.6% Receiving WIC: 24.7%
Louisiana: Exiting Welfare: The Experiences of Families in Metro New Orleans, June 1998		
Universe: Cases closed 1/98–3/98 **Data type:** Survey conducted in 4/98 and 5/98 **Response rate:** 17.5%	**Earnings:** Average monthly income—working: $802.59; Average monthly income—not working: $403.65; Average total monthly household income: $533.41 **Hours of employment:** Full time (40 or more hours per week): 18.7%; Part time: 14.9% **Employment rate:** At time of survey: 33.6%	**Health assistance:** Receiving Medicaid: 39.8% **Child care assistance:** Receiving child care assistance: 3.2% **Food assistance:** Receiving food stamps: 49.0% Receiving WIC: 23.5%
Maryland: Life After Welfare: Fourth Interim Report, October 1999		
Universe: Cases closed for any period of time from 10/96–3/99 **Data type:** Administrative data **Followup:** Up to 30 months (varies)	**Earnings:** 1st quarter after exit: $2,202; 4th quarter after exit: $2,545; 9th quarter after exit: $2,701 Employment rate 1st quarter after exit: 52.5%; 4th quarter after exit: 51.0%; 9th quarter after exit: 52.7% **Recidivism:** 24 months after exit (excludes ''churners''): 25.8%	Not reported

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Massachusetts: How Are They Doing? A Longitudinal Study of Households Leaving Welfare Under Massachusetts Reform: Round 4 Findings, April 1999		
Universe: Cases closed 12/96–6/97 that were closed for at least 30 days **Data type:** Survey conducted 1 year after exit **Response rate:** 63%	**Earnings:** Full-time average weekly earnings: $323; Part-time average weekly earnings: $172 **Hours of employment:** Full time (30 or more hours per week): 34.4%; Part time (less than 30 hours per week): 18.6% **Employment rate:** At time of survey: 53.0%; Someone in the household had worked in the last 3 months: 73.0% **Recidivism:** Returned to welfare at the time of the survey: 20.9%	**Health assistance:** Children's medical coverage: 92.4% Children receiving private insurance coverage: 10.0% Children receiving HMO coverage: 8.2% Children receiving other coverage: 1.8% **Child care assistance:** Used/using transitional child care in the last 3 months: 12.6% **Food assistance:** Receiving food stamps: 6.5%
Michigan: Longitudinal Study of Family Independence Program (FIP) Recipients: 1998 Closed FIP Cases, 1998		
Universe: Cases that were receiving cash assistance (FIP) in 1/97, but were closed at time of survey **Data type:** Survey conducted 6/98–9/98 **Response rate:** 44.5%	**Earnings:** Average hourly wage: $7.02 **Hours of employment:** Average hours worked per week: 31.7 **Employment rate:** At time of survey: 71.1% **Recidivism:** All of the cases included in the analysis were closed at the time of the survey.	Not reported
Mississippi: Tracking of TANF Clients: First Report of a Longitudinal Study, January 1999		
Universe: Cases closed 1/98–4/98 for any length of time **Data type:** Survey conducted 7/98–9/98 **Response rate:** 86.7%	**Earnings:** Average hourly wage: $5.77 ($5.97 urban, $5.57 rural) **Hours of employment:** Average hours per week: 35; Full time (35 or more hours per week): 67% (75% urban; 59% rural); Part time: 33% (25% urban; 41% rural) **Employment rate:** At time of survey: 35% (27% rural, 46% urban); Ever employed in last 6 months: 47% (52% urban; 43% rural) **Recidivism:** Received TANF, Medicaid, and food stamp benefits at least 1 month since originally leaving the rolls: 47% (37% urban; 73% rural)	**Health assistance:** Children receiving Medicaid: 44% Children receiving private insurance: 10% **Child care assistance:** Respondents using child care in the last 6 months who received State-sponsored payments: 56% **Food assistance:** Receiving food stamps: 58% (47% urban, 67% rural) Participate in School Lunch Program (of families with school age children): 82%
Missouri: Preliminary Outcomes for 1996 Fourth Quarter AFDC Leavers, September 1999		
Universe: All single- and two-parent AFDC/TANF caseheads (those receiving a cash payment) who were active during 9/96, 10/96, and/or 11/96, and who left AFDC during the 4th quarter of 1996 and remained off the rolls for at least the following month **Data type:** Administrative data **Followup:** 2 years (8 quarters)	**Earnings:** 1st quarter after exit: $2,192; 8th quarter after exit: $3,055 **Employment rate:** 1st quarter after exit: 58.1%; 8th quarter after exit: 56.7%; Ever employed since exit: 79.5% **Recidivism:** Returned to cash assistance at any time during the 8-quarter followup period: 17.2%	**Health assistance:** Receiving Medicaid at any time during the 8-quarter followup period (self/children): 48.0%/59.2% **Food assistance:** Receiving food stamps at any time during the 8-quarter followup period: 74.9%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Montana: Montana's Welfare Reform Project: FAIM February 1998 Update, February 1998		
Universe: Cases closed that remained closed from 3/96 to 9/97 **Data type:** Administrative data **Followup:** 18 months	**Earnings:** Over the 18-month period: $5,908 **Employment rate:** Reported employment earnings: 57%	Not reported
Montana: Montana's Welfare Reform Project: FAIM February 1998 Update, February 1998		
Universe: Current and former recipients at time of survey **Data type:** Survey conducted 12/97–1/98 **Response rate:** 208 respondents	**Earnings:** Earning less than minimum wage: 11% **Hours of employment:** More than 20 hours per week: 47% **Employment rate:** At time of survey: 66%	**Health assistance:** Receiving Medicaid: 74.5% Employed respondents with health insurance: 39% **Child care assistance:** 29 survey respondents were enrolled in Job Supplement Program, with 6 utilizing publicly funded child care **Food assistance:** Receiving food stamps: 63% Receiving School Lunch Program: 55.3% Receiving WIC: 47.6%
New Jersey: Work-first New Jersey (WFNJ) Evaluation: How WFNJ Clients are Faring Under Welfare Reform: An Early Look: Leaver Sample, October 1999		
Universe: Cases who entered the program from 7/97 to 12/98, a subsample of which were former welfare recipients **Data type:** Survey conducted 21 months after exit **Response rate:** 81%	**Earnings:** Average total monthly income: $1,170 **Employment rate:** At time of survey: 56%	**Health assistance:** Receiving health insurance: 73% (62% public and 11% private); 75% of the children of leavers had health insurance **Child care assistance:** Employed former clients receiving government child care subsidies: 22% **Food assistance:** Receiving food stamps: 33%
New York: After Welfare: A Study of Work and Benefit Use After Case Closing, December 1999		
Universe: Cases closed 1/97–3/97 that were closed for at least 2 months **Data type:** Administrative data **Followup:** 12 months	**Earnings:** 1st quarter after exit: $3,393; 4th quarter after exit: $3,602 **Employment rate:** 1st quarter after exit: 50%; 4th quarter after exit: 48%; Ever employed since exit: 62% **Recidivism:** Returned in 4th quarter: 19%	**Health assistance:** Receiving Medicaid in the 4th quarter after case closing: 45% **Food assistance:** Receiving food stamps in the 4th quarter after case closing: 26%
North Carolina: Evaluation of the North Carolina Work First Program: Status of Families Leaving Work First After Hitting the 24-Month Time Limit, May 1999		
Universe: Cases closed in 8/98 because of a time limit **Data type:** Survey conducted in 11/98 and 12/98 (supplemented with administrative data) **Response rate:** 76.5%	**Earnings:** Median monthly earnings: Self-employed: $259.80; Working for an employer: $947.19 **Hours of employment:** Full-time employment (40 or more hours per week): 37.9% **Employment rate:** At time of survey: 63.1%; Ever employed since exit: 80.5% **Recidivism:** All cases closed because of time limit are ineligible for TANF cash benefits for 3 years	**Health care:** Receiving Medicaid (families/children): 84.5%/93.2% Receiving other health insurance (families): 7.2% Receiving insurance from employer: 5.1% **Child care assistance:** Respondents who use child care and receive a child care subsidy from the county: 66.7% **Food assistance:** Receiving food stamps: 70.8% Receiving WIC: 4.6%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Ohio: How Are They Managing? A Six-Month Retrospective of Cuyahoga County Families Leaving Welfare, 1999		
Universe: Cases closed in the 4th quarter of 1998 and 1st quarter of 1999 for at least 2 months **Data type:** Survey conducted 6 months after exit **Response rate:** 70%	**Earnings:** Total family income (including cash value of food stamps) greater than or equal to 100% of 1998 poverty level: 55% **Employment rate:** At time of survey: 67%; Ever employed since exit: 87% **Recidivism:** Returned at least once: 24%	**Health assistance:** Receiving Medicaid (adults/children): 59%/69% Receiving private health insurance (adults/children): 17%/15% **Child care assistance:** Receiving child care assistance: 22% **Food assistance:** Receiving food stamps: 53%
Oklahoma: Family Health and Well-Being in Oklahoma: An Exploratory Analysis of TANF Cases Closed and Denied October 1996–November 1997: Sample of Adult and Children, September 1998		
Universe: Cases that were closed or denied for any reason from 10/96–11/97 regardless of whether they were receiving TANF at the time of the survey **Data type:** Survey conducted 1/98–4/98 **Response rate:** 53.3%	**Earnings:** Average hourly wage: $6.51 **Hours of employment:** Average hours worked per week: 34; Full-time employment (40 or more hours per week): 50.3% **Employment rate:** At time of survey: 50.3%; Respondents who live in households with at least one employed individual: 68.5% **Recidivism:** Received TANF at least once since 10/96: 33.6%	**Health assistance:** Receiving Medicaid only: 60.6% Receiving private (work-related) and Medicaid: 9.2% Receiving private (work-related) only: 8.6% Receipt by child—Medicaid, only: 62.6% Medicaid/private insurance: 18.5% **Child care assistance:** Eligible households receiving child care assistance: 33.9% **Food assistance:** Receiving food stamps only: 8.9% Receiving WIC/other (including food banks), only: 25.7% Receiving food stamps and WIC: 40.1%
Pennsylvania: Welfare Reform After Two Years: Technical Report on Former Welfare Recipients in Pennsylvania (March 1997–March 1999), November 1999		
Universe: Cases that were closed 3/97–12/98 that remained closed. Food stamp and Medicaid participation data is reported from 3/97 to 4/99 **Data type:** Administrative data **Followup:** Up to 8 quarters (varies)	**Earnings:** Annualized income: 4th quarter after exit: $11,711; 8th quarter after exit: $13,759 **Employment rate:** Ever employed since exit: 68% **Recidivism:** Only cases that remained closed were included in the sample	**Health assistance:** Received Medicaid for some period of time since exit: 76% **Food assistance:** Received food stamps for some period of time since exit: 65%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Pennsylvania: Welfare Reform After Two Years: Technical Report on Former Welfare Recipients in Pennsylvania (March 1997–March 1999), November 1999		
Universe: Cases that were closed 2/98–11/98 that remained closed for 6 consecutive months **Data type:** Survey **Response rate:** 29%	**Employment rate:** At time of survey: 58.4%; Ever employed since exit: 80.8% **Recidivism:** All of the cases in the sample were still closed at the time of the survey	**Health assistance:** Receiving Medicaid (households): 81.6% Receiving private insurance: 27.2% **Child care assistance:** Respondents with extended/afterschool care for children who receive State child care payment assistance: 42.1%; Respondents with preschool children and a caretaker who receive State child care payment assistance: 64.4% **Food assistance:** Receiving food stamps: 51.2% Receiving WIC: 26.4% Receiving School Lunch Program: 47.2% Receiving Summer Feeding Program: 25.6%
Rhode Island: Where Are They Now? A Post-Cash Administrative Data Study, May 1999		
Universe: Cases closed in 4/97 and 4/98 that remained closed for at least 31 days **Data type:** Administrative data **Followup:** 12 months	**Recidivism:** Cases reopened within the year: 4/97: 29.9%; 4/98: 30.5%	Not reported
South Carolina: Survey of Former Family Independence Program Clients: Cases Closed During January Through March, 1998, June 1999		
Universe: Cases with at least one adult subject to FIP work requirements closed 1/98–3/98 that remained closed up to the time of the survey **Data type:** Survey conducted 1/99–4/99, 12–15 months after exit from cash assistance **Response rate:** 75.0%	**Earnings:** Average hourly wage: $7 **Hours of employment:** Average hours worked per week: 35.1; Work 30 or more hours per week: 81.4% **Employment rate:** At time of survey: 54.7%; Ever employed since exit: 80.7% **Recidivism:** Pretty sure they will not need welfare again: 51.0%	**Health assistance:** At least one household member covered by Medicaid: 77.6% Receiving private insurance (adults/children): 7.2%/7.4% **Child care assistance:** Receiving assistance (all households): 9.9% Among those using care, 30% receive subsidy for preschool; 27.4% for school-aged **Food assistance:** Receiving food stamps: 52.6% Receiving School Lunch Program: 52.1% Receiving WIC: 27.1% Receiving Summer Feeding Program: 4.9%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Tennessee: Summary of Surveys of Welfare Recipients Employed or Sanctioned for Non-Compliance, March 1998		
Universe: Cases sanctioned/closed for non-compliance with Families First Program requirements since 1/97 **Data type:** Survey with data collected through 10/97 **Response rate:** 56%	**Earnings:** Average hourly wage: $5.50 **Employment rate:** At time of survey: 39% **Recidivism:** Think they will return to Families First: 47%	**Health assistance:** Receiving TennCare: 88% **Child care assistance:** Receiving child care: 16%
Tennessee: Summary of Surveys of Welfare Recipients Employed or Sanctioned for Non-Compliance, March 1998		
Universe: Cases sanctioned/closed for their refusal to sign a personal responsibility plan since 1/97 **Data type:** Survey with data collected through 10/97 **Response rate:** 59%	**Hours of employment:** Full time: 25%; Part time: 17% **Employment rate:** At time of survey: 42% **Recidivism:** Think they will return to Families First: 25%	**Health assistance:** Receiving TennCare: 91% **Child care assistance:** Receiving child care: 21%
Texas: The Impacts of Welfare Reform Changes in Texas: Early Findings, December 1998		
Universe: Cases closed in 11/97 that remained off TANF for 6 months, as well as a sample of cases redirected from TANF through Texas Works in 12/97 **Data type:** Survey, supplemented with administrative data **Response rate:** 51%	**Earnings:** Average hourly wage: $6.28 ($6.15 for redirects; $6.35 for leavers) **Hours of employment:** Average hours per week: 34 (34.1 hours/week for leavers and 34.7 for redirects) **Employment rate:** At time of survey: 55% (59% of leavers and 50% of those redirected); Ever employed since exit: 68% (75% of leavers and 62% of those redirected)	**Health assistance:** Received Medicaid since exit (leavers/redirected): 74%/66% **Food assistance:** Received WIC since exit (leavers/redirected): 33%/42%; received food stamps (leavers/redirected): 68%/64%
Texas: Why People Leave Welfare II: An Expanded Follow-up Study of the Effects of Welfare Reform, December 1998		
Universe: Cases closed 11/97–2/98 **Data type:** Survey **Response rate:** Ranged from 54% to 66%	**Earnings:** Average monthly salary: $771 **Hours of employment (among the 48% who left cash assistance for employment):** Employed full time: 75% **Employment rate:** Percent who left cash assistance for employment: 48%	**Health assistance:** Receiving Medicaid at time of interview: 62% **Child care assistance:** Receiving child care assistance at time of interview: 12% **Food assistance:** Receiving food stamps at time of interview: 56%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Virginia: Experiences of Virginia Time-Limit Families in the Six Months After Case Closure: Results from an Early Cohort, Final Report, November 1999		
Universe: Cases closed 2/99–6/99 due to the State time limit **Data type:** Survey conducted 6–12 months after exit from cash assistance **Response rate:** 78%	**Earnings:** Average hourly wage: $5.99 **Hours of employment:** Average hours per week: 33.5 **Employment rate:** At time of survey: 71%; Ever employed since exit: 85.5% **Recidivism:** Receiving income from TANF in month before interview: 2.4%	**Health assistance:** Among working, percent who enrolled in employer-provided health benefits: 28.8% **Child care assistance:** Among working or in training, percent who receive at least some government assistance: 28.7% Among working or in training, percent who were aware of government assistance but chose not to participate: 34.7% **Food assistance:** Receiving income from Food Stamp Program in month before interview: 76.1%
Washington: A Study of Washington State TANF Departures and Welfare Reform: Cohort II, April 1999		
Universe: Single- and two-parent cases closed in 4th quarter 1997 for at least 2 months **Data type:** Administrative data **Followup:** 12 months	**Earnings:** 1st quarter after exit: $2,710; 4th quarter after exit: $3,018 **Employment rate:** 1st quarter after exit: 51%; Ever employed in 4 quarters after exit: 73.9% **Recidivism:** Ever returned in the 4 quarters after exit: 23.2%	**Food assistance:** Receiving food stamps 1 year after the selection quarter: 30%
Washington: Washington's TANF Single-Parent Families After Welfare, January 1999		
Universe: Single-parent cases closed in 8/97 that remained closed at the time of the survey **Data type:** Survey conducted mid-10/98–11/98 **Response rate:** 52%	**Earnings:** Average hourly wage (currently employed and ever employed since exit): $8.09 **Hours of employment:** Average number of hours worked per week (for the current or most recent job): 36 **Employment rate:** At time of survey: 71%; Ever employed in the last 12 months: 87% **Recidivism:** Likely to return to welfare within 6 months (of those who said they were worse off): 48%	**Health assistance:** Receiving Medicaid (adults/children): 44%/64% **Child care assistance:** Department of Social and Health Services subsidies in families with children under 13 whose parent is at work when child not in school: 38% **Food assistance:** Receiving food stamps: 45% Receiving help from food banks: 29% Receiving help from charitable organizations: 12%
Wisconsin: Post-Exit Earnings and Benefit Receipt Among Those Who Left AFDC in Wisconsin, January 1999		
Universe: Cases closed for at least 2 consecutive months between 8/95 and 7/96 **Data type:** Administrative data **Followup:** 15 months	**Earnings:** 1st quarter after exit: $2,440; 5th quarter after exit: $2,751 **Employment rate:** 1st quarter after exit: 72.4%; 5th quarter after exit: 75.8%; Ever employed in the year following exit: 81.7% **Recidivism:** Returned to AFDC within 15 months of leaving: 30%	**Health assistance (5th quarter after exit):** Receiving Medicaid only: 23.4% Receiving Medicaid and food stamps: 26.0% **Food assistance (5th quarter after exit):** Receiving food stamps only: 2.3% Receiving Medicaid and food stamps: 26.0%

TABLE L–11.—SELECTED OUTCOMES FROM EVALUATIONS OF FORMER WELFARE RECIPIENTS—Continued

Study	Earnings/recidivism	Health care/child care/food
Wisconsin: Survey of Those Leaving AFDC or W–2 January to March 1998: Preliminary Report, January 1999		
Universe: Cases closed between 1/98 and 3/98, that remained closed at the time of the survey **Data type:** Survey conducted 8/98–11/98, 6–9 months after exit from cash assistance **Response rate:** 69%	**Earnings:** Employed at time of interview—hourly wage $7.42 **Hours of employment:** Mean hours per week at best job for those currently employed: 36; Mean hours per week at best job for those who had worked since their exit but are currently unemployed: 33 **Employment rate:** At time of survey: 62%; Ever employed since exit: 83% **Recidivism:** Agree or strongly agree that they are pretty sure they will not need to be on welfare again: 60%	**Health assistance:** Households receiving Medicaid or Healthy Start: 87% Private insurance (anyone in household): 26% **Child care assistance:** Receiving child care assistance: 17% Leavers with preschool children who said they needed child care: 66% Leavers with school-age children who said they had some kind of extended or afterschool care: 30% **Food assistance:** Receiving food stamps: 49% Receiving School Lunch Program: 47% Receiving WIC: 38% Receiving Summer Feeding Program for Children: 5%
Wyoming: A Survey of Former POWER Recipients, May 1998		
Universe: Cases closed 1/97–3/98 **Data type:** Survey conducted in 3/98 **Response rate:** 31.8%	**Earnings:** (all respondents): Less than $5 per hour: 3.5%; $5.01–$7.50: 47%; $7.51 or more: 9.0% **Hours of employment:** 40 or more hours: 47% **Employment rate:** At time of survey: 61% **Recidivism:** Back on POWER at the time of the survey: 2.5%	**Health assistance:** Receiving Medicaid (families): 82.5% Receiving health insurance other than Medicaid: 17% **Child care assistance:** Receiving public assistance day care: 28% **Food assistance:** Receiving food stamps: 61%

Source: Table prepared by the Congressional Research Service based on information compiled from the individual State evaluations and the National Conference of State Legislatures (NCSL).

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