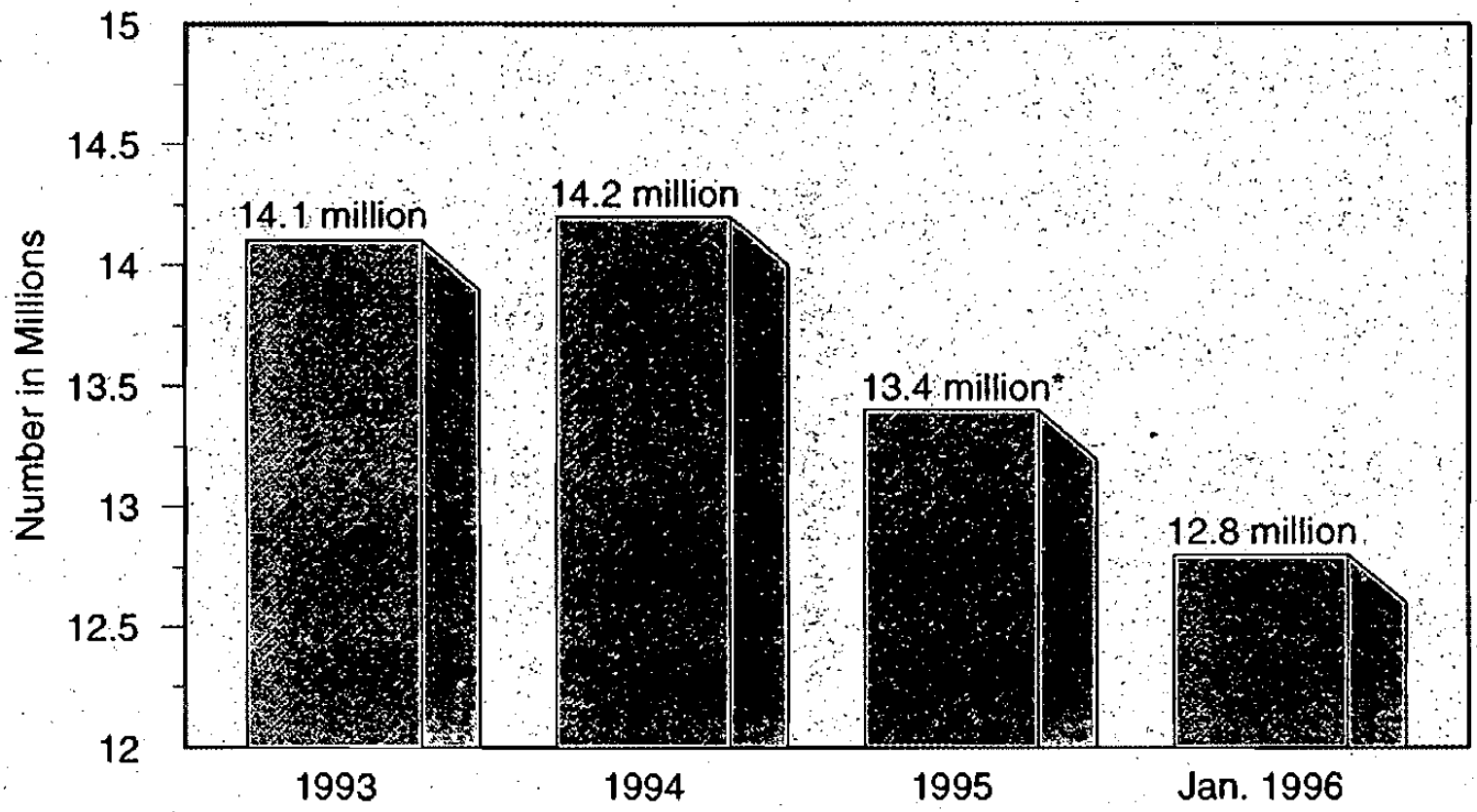
WR Case Loads

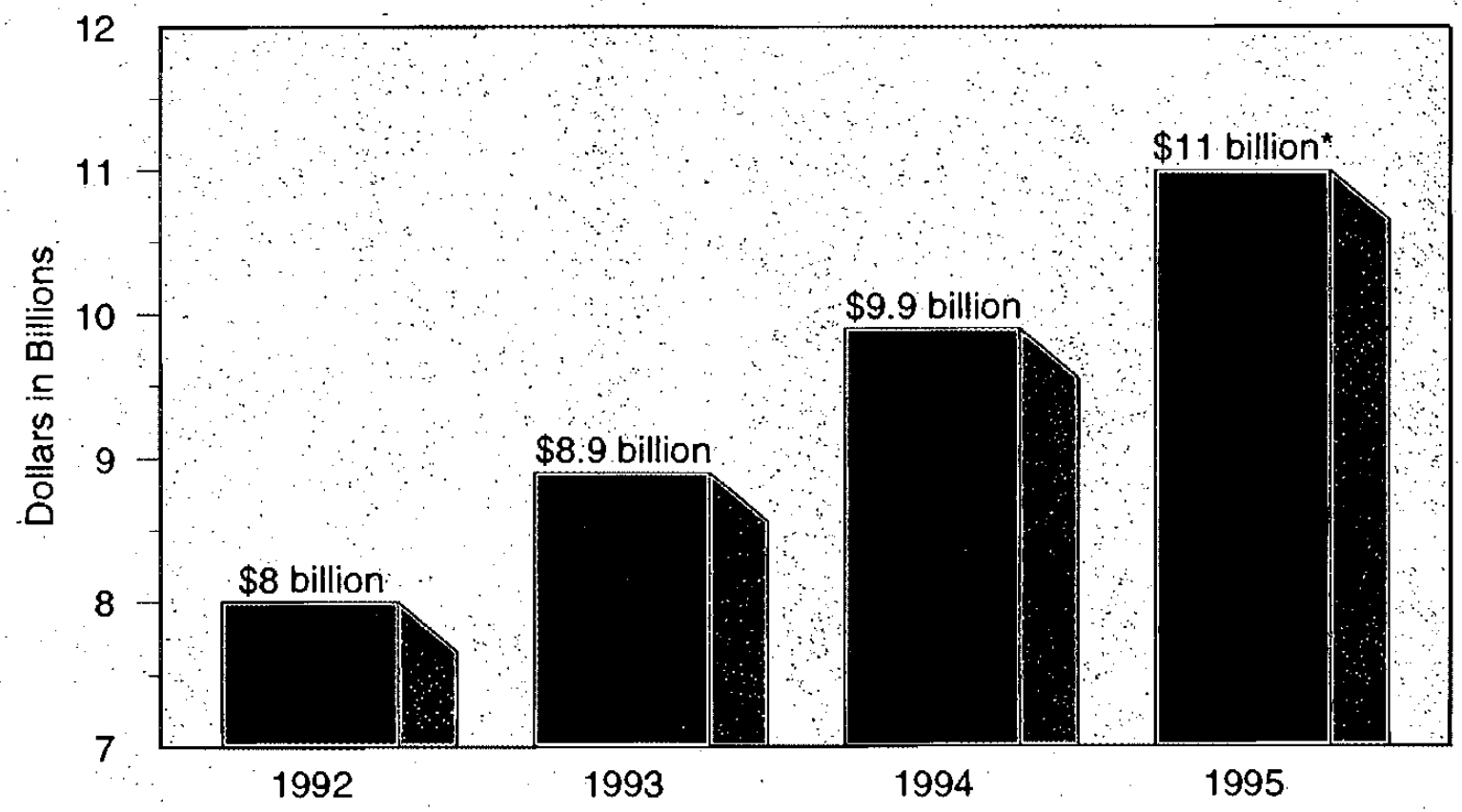
The Total Number of AFDC Recipients Has Declined Under the Clinton Administration



Source: Administration for Children and Families, U.S. Department of Health & Human Services
*Preliminary Estimate

P92 SG416F

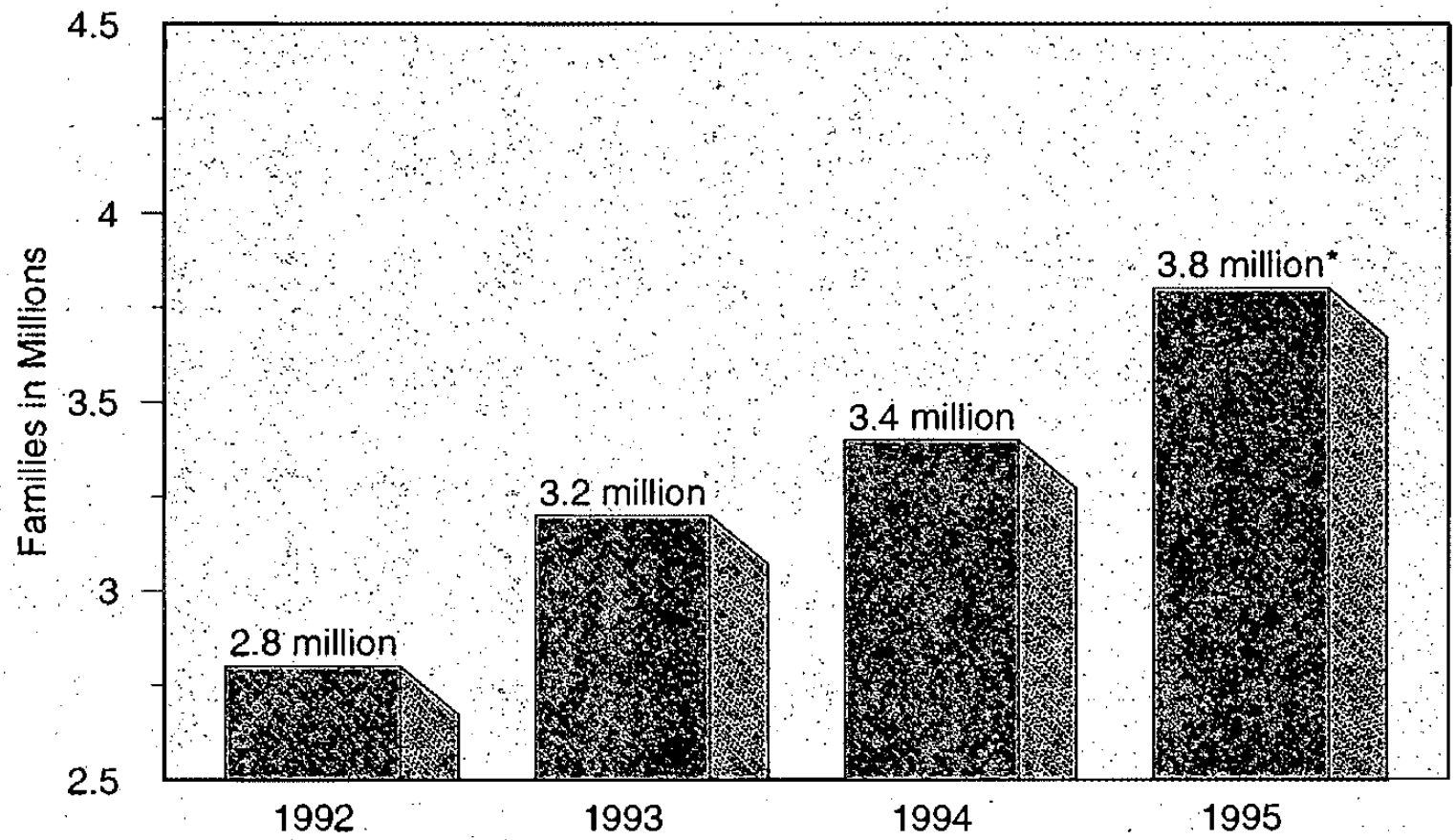
Child Support Collections Have Increased Under the Clinton Administration



Source: Administration for Children and Families, U.S. Department of Health & Human Services
*Preliminary Estimate

P92 8G416A

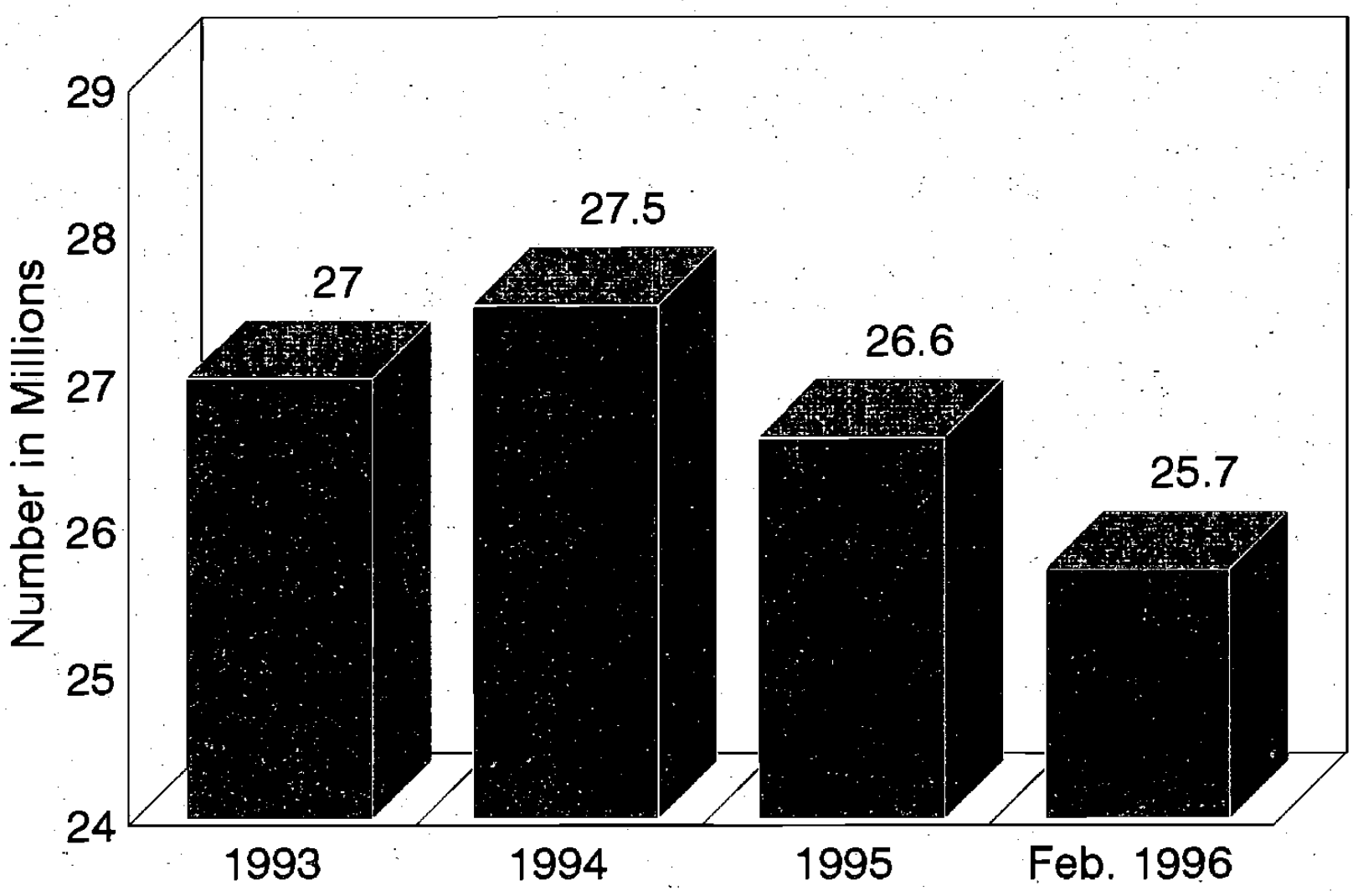
Families Served by Child Support Enforcement Have Increased Under the Clinton Administration



Source: Administration for Children and Families, U.S. Department of Health & Human Services
*Preliminary Estimate

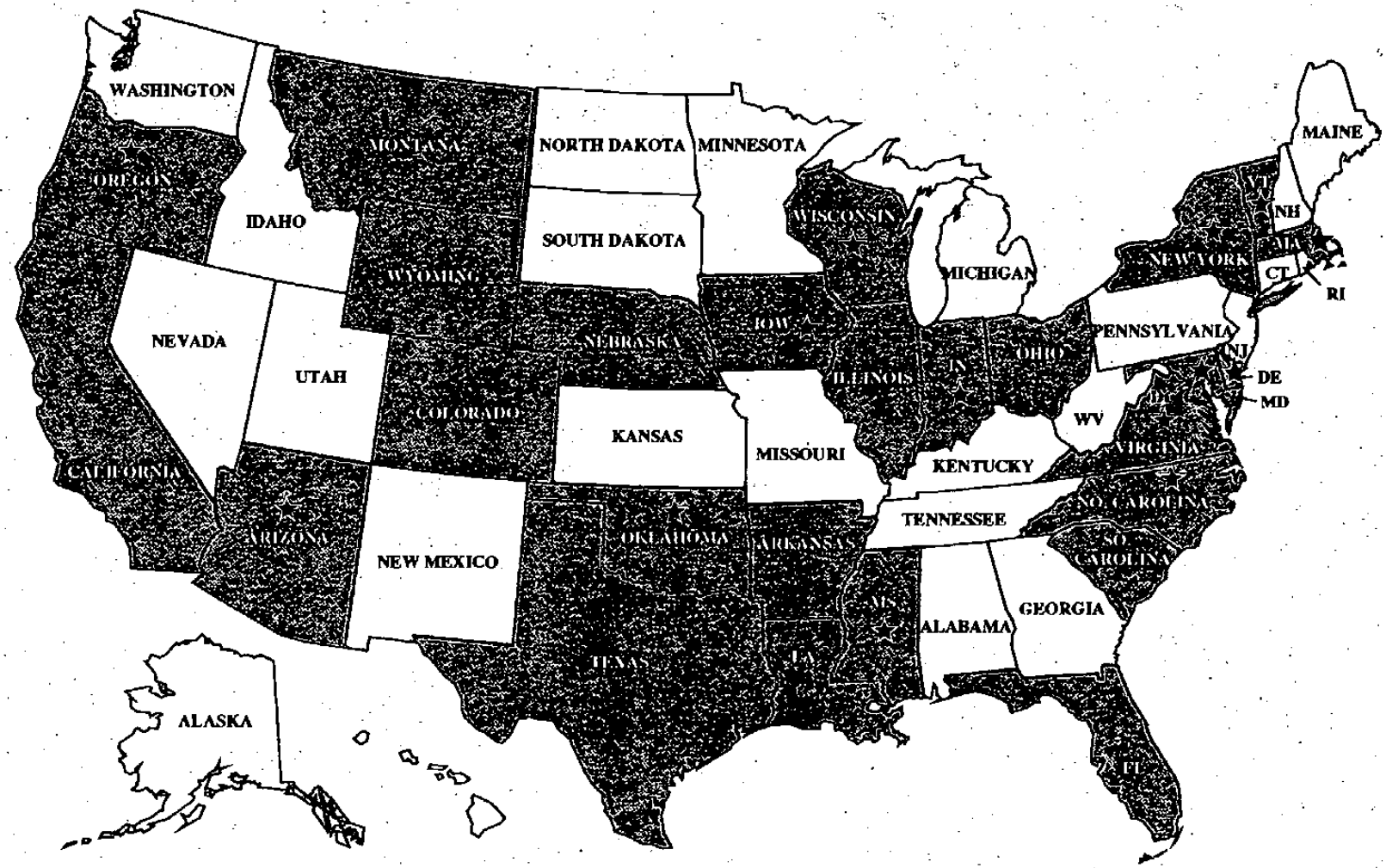
P92 SG416B

The Total Number of Food Stamp Recipients Has Declined Under the Clinton Administration



Source: Food and Consumer Service, U.S. Department of Agriculture

States With School Attendance/Performance Requirements



★ Also Require Minor Parents to Live in Home of Parents/Guardians

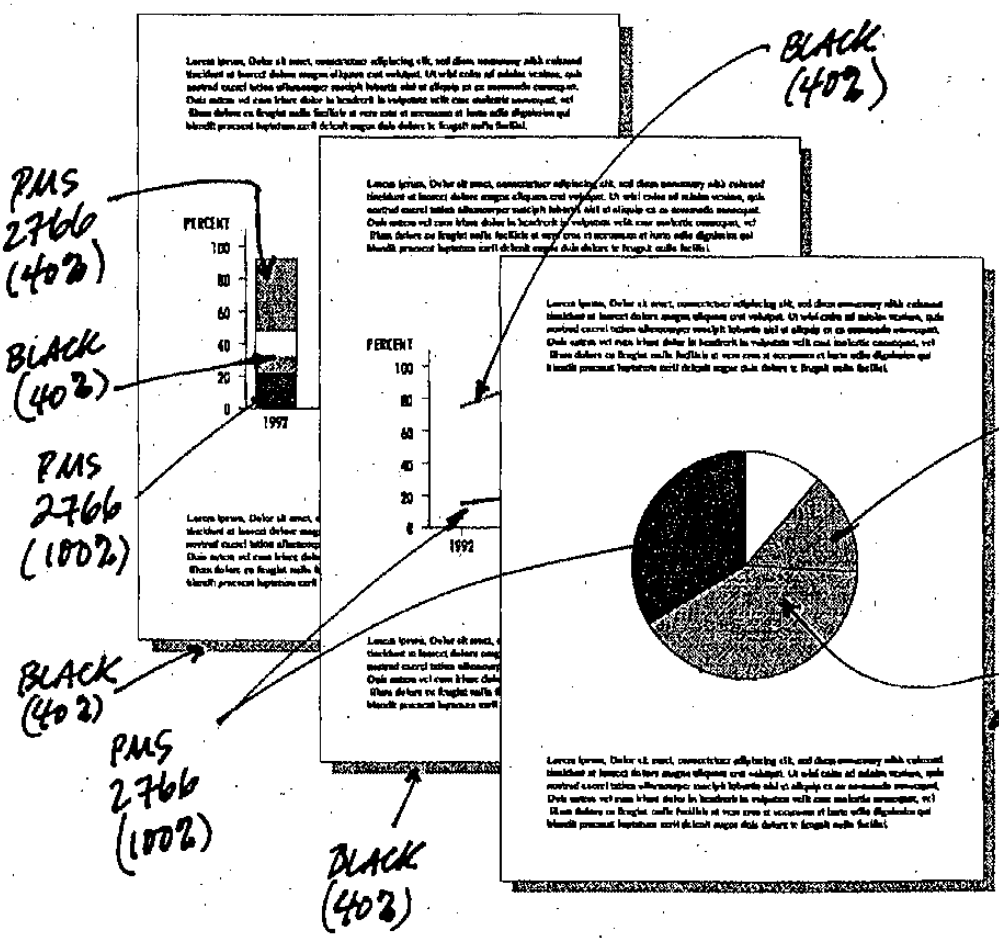
ALL ITEMS PRINT 100% BLACK EXCEPT AS MARKED

Indicators of Welfare Dependence

Annual Report to Congress
October 1997

WR-
Caseloads

PMS 2766 (100%)



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U.S. Department of Health and Human Services

Foreword

The Welfare Indicators Act of 1994 requires the Department of Health and Human Services to prepare annual reports to Congress on indicators and predictors of welfare dependence. This first *Annual Report on Welfare Indicators* was developed with the advice and recommendations of the bipartisan Advisory Board on Welfare Indicators and the assistance of the U.S. Department of Agriculture, the Social Security Administration and the U.S. Bureau of the Census. This report marks a significant step toward achieving the stated purpose of the law -- "to provide the public with generally accepted measures of welfare receipt so that it can track such receipt over time and determine whether progress is being made in reducing the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt."

This report is the direct result of the foresight and leadership of Senator Daniel Patrick Moynihan. He sponsored the Welfare Indicators Act of 1994 to make it clear that reduction in welfare dependence is a national goal, and that regular measurement and assessment of progress toward that goal is necessary. The act calls for such measures, just as, for example, the Employment Act of 1946 called for regular measures that led to a better understanding of the critical problem of unemployment in this country. In introducing the bill, Senator Moynihan declared that the policy and responsibility of the Federal Government must be to strengthen families and promote their self-sufficiency. This report is a first step in documenting our progress toward that goal.

We recognize that it is difficult to develop consensus around a single measure of welfare dependence. Nevertheless, in an effort to be responsive to the intent of the Welfare Indicators Act, this report proposes for discussion and debate a definition of welfare dependence that was developed by the Advisory Board:

> A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC/TANF, Food Stamps and/or SSI, and this welfare income is not associated with work activities. Welfare dependence is the proportion of all families who are dependent on welfare.

The Advisory Board's recommended definition is consistent with the working definition of "dependence" we adopted in last year's *Interim Report* that incorporated elements of degree and duration of receipt and behavior of the recipient. It takes a comprehensive view of dependence -- one that considers the range as well as the depth of dependence through indicators that measure how much and how long assistance is received, as well as whether the assistance supplements or supplants earnings. The recommended definition would count as work activities only unsubsidized and subsidized employment and work required to obtain benefits.

The proposed definition, unfortunately, cannot be measured precisely at this time with currently available data. Two data issues present potential problems. First, current data do not distinguish between cash benefits where work is required and cash benefits that are paid without any work effort. Thus, while income from private employment can be excluded in calculating welfare benefits, it is not currently possible to exclude work that is required to obtain benefits. Second, this report uses data from the Survey of Income and Program Participation (SIPP) to obtain measures of the proposed definition. The SIPP, like all large-scale surveys, has a significant time lag. For example, the most recent SIPP data currently available are for 1993. In spite of these relatively minor measurement problems, however, we believe this proposed definition of welfare dependence marks an important development, and we welcome further discussion of it.

In addition to discussing the proposed definition of dependence, this report highlights a few specific indicators of dependence that were recommended for consideration by the Advisory Board at their most recent meeting. It also presents for consideration a broader set of indicators of welfare recipiency and dependence, as well as a wide-ranging collection of predictors, or risk factors associated with welfare receipt. The Advisory Board was in agreement that, since the causes of welfare receipt and dependence are not clearly known, the report should include a larger set of risk factors associated with welfare receipt. Nonetheless, the report reduces the overall number of predictors and risk factors by about 20 percent from the number included in last year's *Interim Report*. Indicators of deprivation supplement the dependence indicators to ensure that dependence measures are not assessed in isolation.

Finally, we would note that the annual Indicators reports should be viewed in the context of the wide array of research and evaluation efforts supported and carried out by this Department, other Federal agencies, and the broader research community regarding the effects of the PRWORA and state and local welfare reform efforts on dependency and deprivation. Together, these research efforts should provide us with a rich array of information which no one approach could generate alone. We hope the Indicators report will focus and enrich these efforts and carry out Senator Moynihan's vision, by focusing researchers on the critical issue of dependency and shining a spotlight on national trends.

We are grateful to the members of the Advisory Board on Welfare Indicators for their hard work and wise counsel on this important and difficult issue.

Donna E. Shalala
Secretary
U.S. Department of Health and Human Services

Acknowledgments

This first annual report on Indicators of Welfare Dependence benefits from the contributions of many people and could not have been completed without their efforts. The Advisory Board on Welfare Indicators, established by the Welfare Indicators Act of 1994, and appointed by the House of Representatives, the Senate, and the President, provided critical direction and wise counsel throughout the development of this report. Members of the Advisory Board include:

Eloise Anderson, Director, California Department of Social Services
Jo Anne B. Barnhart
Paul E. Barton, Director, Policy Information Center, Educational Testing Service
Martin H. Gerry, Director, Center for Study of Family, Neighborhood, and Community Policy, University of Kansas
Judith M. Gueron, President, Manpower Demonstration Research Corporation
Robert Greenstein, Executive Director, Center on Budget and Policy Priorities
Wade Horn, Director, National Fatherhood Initiative
Marvin H. Kosters, Resident Scholar and Director of Economic Policy Studies, American Enterprise Institute
Gerald H. Miller, Senior Vice President and Managing Director - Welfare Reform, Lockheed Martin IMS
Kristin A. Moore, Executive Director, Child Trends, Inc.
Joan M. Reeves, Commissioner, Philadelphia Department of Human Services
Gary J. Stangler, Director, Missouri Department of Social Services

Staff from the U.S. Department of Agriculture, Food and Consumer Service, and the Social Security Administration, Office of Research, Evaluation and Statistics, and the U.S. Bureau of the Census, Housing and Household Economic Statistics Division made valuable contributions to the report and were extremely helpful in gathering and providing data for use throughout the report.

Finally, vital assistance was provided by Greg Duncan of the Northwestern University Institute for Policy Research and Johanne Boisjoly of the Universite du Quebec a Rimouski, Departement des Sciences Humaines. They gathered and provided data on proposed indicators and assisted in drafting and producing the Interim Report.

Executive Summary

The Welfare Indicators Act of 1994 (part of Public Law 103-432) directed the Secretary of Health and Human Services to study the most useful statistics for tracking and predicting dependence on three means-tested cash and nutritional assistance programs: Aid to Families with Dependent Children (AFDC), Food Stamps, and Supplemental Security Income (SSI). It also required the submission of annual reports on welfare receipt in the United States that track key indicators and predictors of welfare dependence. An *Interim Report to Congress* addressing the development of welfare indicators and predictors and assessing the data needed to report annually on the indicators and predictors was submitted a year ago. This report is the first of the annual reports required under the law.

Barely two months before the *Interim Report* was due, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) was signed into law on August 22, 1996, transforming large parts of the nation's welfare system. In addition to changes with far-reaching implications for the Food Stamp Program and the Supplemental Security Income (SSI) program for children, PRWORA established block grants for states to provide cash and other benefits to help needy families support their children while simultaneously requiring those families to make verifiable efforts to leave welfare for work.

The *Interim Report*

The bipartisan Advisory Board on Welfare Indicators established by the Welfare Indicators Act observed that the PRWORA's Temporary Assistance for Needy Families (TANF) program fundamentally changed the meaning of "dependence" by changing the framework for welfare policy and by providing states with the flexibility to define caseloads and benefits in extremely varied ways. In response, the *Interim Report* addressed the changing, but still evolving and uncertain, welfare environment in a number of ways.

- The *Interim Report* adopted a working definition of dependence as a continuum, incorporating elements of the degree of reliance on means-tested benefits, the duration of receipt, and the behavior of the recipient. The dependence/self-sufficiency continuum ranges from: i) long-term receipt of income from welfare with no significant labor market involvement or training; to: ii) participation in workfare or work-related activities and/or combining income from public assistance with earnings; to iii) short-term episodes of receipt of means-tested assistance programs; to: iv) long-term independence from receipt of means-tested assistance programs.

- To account for the varying degrees of dependence and different dimensions of a dependent family's condition, the report included an extensive list of indicators from a wide range of fields in an effort to present an accurate picture of the range of both

dependence and the risk of dependence -- work and job readiness, poverty and deprivation, family structure, and parenting, as well as indicators of child achievement and health.

- The *Interim Report* suggested that the correlation between welfare caseloads and changes in dependence would likely become less close over time as states implement the wide range of policy choices permitted under PRWORA. The report recognized that caseload increases and decreases are the result of some combination of social, economic, demographic, and policy factors, and as such, it noted that dependence is a multi-dimensional measure of how much and how long assistance is received, as well as whether the assistance supplements or supplants earnings.

At the time the *Interim Report* was prepared, the impacts of the PRWORA were still unknown, although no one doubted that changes in "welfare receipt" (as defined by the Welfare Indicators Act for purposes of the annual welfare indicators reports) would occur. States face a dramatically different set of choices, rules and incentives under the PRWORA, and while TANF caseloads may vary in size as a result of changes in the number of people who are employed, they could also vary because states choose to serve families with state funds, to provide services instead of cash, or to expand benefits to working families (thus expanding caseloads without expanding dependence). Care must be taken not to view welfare caseloads as a proxy for welfare dependence. The increased number of possible policy variants under the new welfare law highlights the need to present an accurate and dynamic picture of dependence.

Plan for the First Annual Report

This year's first annual report differs from the *Interim Report* in several important ways. While the *Interim Report* provided a wide-ranging list of indicators, this report highlights a few measures of dependence that were recommended for consideration by the Advisory Board. Although recognizing the difficulties inherent in defining and measuring dependence, the Advisory Board proposed the following definition that could be tracked over time:

> A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC/TANF, Food Stamps and/or SSI, and this welfare income is not associated with work activities. Welfare dependence is the proportion of all families who are dependent on welfare.

The Advisory Board's recommended definition would count as work activities only unsubsidized and subsidized employment and work required to obtain benefits. This concept and measures of this definition, as well as a duration of receipt measure, are presented and discussed in Chapter I. A discussion of measures of deprivation is also included in Chapter I to ensure that dependence measures are not assessed in isolation.

Chapter II includes indicators of income and food assistance program participation and program-related measures of dependence. These indicators focus on recipients of cash and nutrition assistance, and reflect both the range and depth of dependence. Data relating recipients' level of welfare income, amount of earnings, duration of receipt, participation in the labor force while receiving assistance, and multiple program receipt are included, along with information on events associated with beginning and ending receipt of means-tested assistance. Trend data on these indicators are provided where available.

Data on risk factors that have been identified as associated with welfare utilization and dependence are provided in Chapter III. While the Advisory Board was in agreement that a smaller set of dependence indicators should be highlighted, they were also in agreement that, since the causes of welfare receipt and dependence are not clearly known, the report should include a larger set of risk factors associated with welfare receipt. Still this report reduces the overall number of predictors and risk factors by about 20 percent from the number included in the *Interim Report*. Most of the deleted indicators are measures of well-being, particularly child well-being, that are tracked in other publications of the Department of Health and Human Services. The risk factors in Chapter III are loosely organized into three categories: economic security measures, measures related to employment and barriers to employment, and measures of teen behavior, including nonmarital childbearing.

Chapter IV addresses some of the complexities of data reporting and collection under the Temporary Assistance for Needy Family (TANF) block grants. Since the 1996 welfare law fundamentally changed the nation's cash assistance programs, it is important to understand the policy and program context that may surround changes in welfare dependence over time. It is crucial to collect a sufficient level of detailed administrative data about the TANF program and its recipients and benefits to permit tracking trends in dependence and deprivation over time. The quality and level of detail of TANF administrative data takes on even greater importance in the context of this report's proposed primary indicator of welfare dependence. In addition, despite the fact that most national survey data are not representative at the state level, they are critical for capturing indicators of adult labor force participation, earnings, program participation, fertility and child well-being, as well as complementing caseload data for tracking changes in dependence.

Because welfare programs have changed substantially in the recent past and are continuing to change rapidly, Appendix A is included to give basic data on each of the three main welfare programs and their recipients over the past several years. Appendix A briefly describes the three programs covered by the Welfare Indicators Act and highlights some of the recent legislative changes that will affect participation and/or expenditures in those programs. It also includes information on the population and characteristics of individuals and families receiving AFDC/TANF, Food Stamps and SSI, and national and state data on program participation and expenditures trends.

Other Appendices provide more detailed information on several related subjects. Appendix B consists of a series of tables on poverty issues. Appendix C includes a comparison between the indicators and predictors included in this *Annual Report* and those recommended in the *Interim Report*. Additional data on nonmarital childbearing is included in Appendix D.

Table SUM 1 shows the percentages of families who receive any welfare benefits and the percentage who would be considered welfare dependent under the above definition for the most recent years for which data are available.[3] There is little trend discernable in these data. While there have been small year to year changes in both recipiency and dependence, the changes seen in the data available so far are not large enough to be statistically significant even in a survey as large as the SIPP.[4] Overall, between four and five percent of all individuals would be considered welfare-dependent based on these data. These families represent about one-third of those who receive any benefits in each year.

Table SUM 1. Percent of the Total Population with More than 50 Percent of Income from Means-Tested Assistance Programs

	1987		1990		1992		1993	
	Any Receipt of Assistance	More than 50% of Income	Any Receipt of Assistance	More than 50% of Income	Any Receipt of Assistance	More than 50% of Income	Any Receipt of Assistance	More than 50% of Income
All Persons	14.9	4.7	14.1	4.2	16.9	4.9	17.0	4.8
Racial Categories								
Non-Hispanic White	9.3	2.2	8.9	2.1	11.0	2.4	10.9	2.3
Non-Hispanic Black	40.9	15.7	36.6	14.6	41.0	15.9	41.8	16.3
Hispanic	28.3	10.9	29.5	8.3	33.3	10.5	33.9	10.3
Age Categories								
Children Age 0 - 5	24.5	10.0	24.0	10.3	28.9	12.2	29.0	11.6
Children Age 6 - 10	23.2	10.1	20.2	8.5	23.8	9.5	24.0	9.2
Children Age 11 - 15	19.8	8.0	18.8	6.4	23.2	7.5	22.6	7.3
Women Age 16 - 64	14.4	4.6	14.1	4.6	17.0	5.0	17.3	5.0
Men Age 16 - 64	10.1	2.0	9.5	1.5	11.8	1.9	12.0	2.1
Adults Age 65 & over	13.6	2.6	12.1	1.9	12.6	2.0	12.2	2.0

Note: Means-tested assistance includes AFDC, SSI and Food Stamps. While only affecting a small number of cases, general assistance income is included under AFDC.
Source: Unpublished data from the SIPP, 1987, 1990 and 1992 panels.

[3] While more recent data from the SIPP have been collected, due to a number of technical issues, they were not available for analysis at the time this report was drafted.

[4] Standard errors can be calculated using the formula published in the *Survey of Income and Program Participation Users' Guide.*

Table A-5. Number of AFDC/TANF Recipients, and Recipients as a Percentage of Various Population Groups, 1970 - 1997

Calender Year	Total AFDC Recipients in the States & DC (in thousands)	AFDC Child Recipients in the States & DC (in thousands)	AFDC Recipients as a Percent of Total Population [1]	AFDC Recipients as a Percent of Poverty Population [2]	AFDC Recipients as a Percent of Pretransfer Poverty Population [3]	AFDC Child Recipients as a Percent of Total Child Population [1]	AFDC Child Recipients as a Percent of Children in Poverty [2]
1970	8,303	6,104	4.1	32.7	NA	8.8	58.5
1971	10,043	7,303	4.9	39.3	NA	10.5	69.2
1972	10,736	7,766	5.1	43.9	NA	11.2	75.5
1973	10,738	7,763	5.1	46.7	NA	11.3	80.5
1974	10,621	7,637	5.0	45.4	NA	11.3	75.2
1975	11,131	7,928	5.2	43.0	NA	11.8	71.4
1976	11,098	7,850	5.1	44.4	NA	11.8	76.4
1977	10,856	7,632	4.9	43.9	NA	11.7	74.2
1978	10,387	7,270	4.7	42.4	NA	11.2	73.2
1979	10,140	7,057	4.5	38.9	53.1	11.0	68.0
1980	10,599	7,295	4.7	36.2	49.2	11.4	63.2
1981	10,893	7,397	4.7	34.2	47.1	11.7	59.2
1982	10,161	6,767	4.4	29.5	40.6	10.8	49.6
1983	10,569	6,967	4.5	29.9	41.9	11.1	50.1
1984	10,644	7,017	4.5	31.6	43.6	11.2	52.3
1985	10,672	7,073	4.5	32.3	45.0	11.3	54.4
1986	10,851	7,206	4.5	33.5	46.6	11.5	56.0
1987	10,842	7,240	4.5	33.6	46.7	11.5	55.9
1988	10,728	7,201	4.4	33.8	47.7	11.4	57.8
1989	10,799	7,286	4.4	34.3	47.6	11.5	57.9
1990	11,497	7,781	4.6	34.2	47.1	12.1	57.9
1991	12,728	8,601	5.0	35.6	49.1	13.2	60.0
1992	13,571	9,183	5.3	35.7	50.8	13.9	60.0
1993	14,007	9,439	5.4	35.7	48.5	14.1	60.0
1994	13,976	9,440	5.4	36.7	50.0	13.9	61.7
1995	13,240	9,009	5.0	36.3	50.1	13.1	61.4
1996	12,150	8,355	4.6	33.3	NA	12.1	57.8
1997 [4]	10,955	7,580	4.1	NA	NA	10.9	NA

[1] Population numbers used as denominators are resident population. See *Current Population Reports*, Series P25-1106.

[2] For poverty population data see *Current Population Reports*, Series P60-198.

[3] The pretransfer poverty population used as denominator is the number of all persons in families with related children under 18 years of age whose income (cash income plus social insurance plus Social Security but before taxes and means-tested transfers) falls below the appropriate poverty threshold. See appendix J, table 20, *1992 Green Book*. Subsequent years Congressional Budget Office tabulations.

[4] Average for January through June of 1997.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance and U.S. Bureau of the Census, "Poverty in the United States: 1996," *Current Population Reports*, Series P60-198 and earlier years, (Available online at http://www.census.gov/hhes/www/poverty.html).

Table A-9. Average Monthly AFDC Recipients by State, Selected Fiscal Years 1977 - 1996

[In thousands]

	1977	1981	1985	1989	1993	1994	1995	1996	Percent Change 1989-93	Percent Change 1993-96
Alabama	169	171	151	129	140	132	118	105	8.3	-24.7
Alaska	11	16	16	19	36	38	37	36	87.3	-0.5
Arizona	58	62	72	105	197	201	190	172	86.6	-12.8
Arkansas	95	84	64	70	73	69	63	58	4.4	-20.0
California	1,434	1,523	1,619	1,763	2,462	2,639	2,680	2,626	39.7	6.6
Colorado	92	82	79	97	123	119	109	99	26.6	-20.1
Connecticut	135	142	122	106	162	166	171	162	52.1	0.1
Delaware	31	33	24	19	28	27	25	23	44.2	-15.6
Dist. of Columbia	96	81	58	48	67	74	73	70	39.4	5.2
Florida	242	277	271	327	695	669	622	561	112.5	-19.3
Georgia	248	236	239	266	398	393	383	353	49.8	-11.5
Guam	4	6	6	4	5	7	8	8	33.6	44.4
Hawaii	56	62	51	43	56	62	66	67	30.6	19.1
Idaho	20	20	17	17	21	23	24	23	26.6	7.7
Illinois	771	709	735	632	689	712	696	655	9.0	-4.9
Indiana	165	172	165	147	212	216	189	148	44.0	-30.3
Iowa	95	110	123	98	101	110	101	89	3.6	-11.7
Kansas	76	74	67	74	88	87	80	68	19.2	-22.2
Kentucky	202	175	160	156	225	208	189	175	44.4	-22.2
Louisiana	218	216	230	277	263	248	251	236	-5.0	-10.3
Maine	60	57	57	51	67	64	60	56	32.8	-17.2
Maryland	213	221	195	176	221	222	223	204	25.6	-7.7
Massachusetts	373	344	235	242	325	307	274	237	34.6	-27.2
Michigan	651	759	691	640	688	666	598	527	7.5	-23.4
Minnesota	131	149	152	164	191	187	180	171	17.1	-10.6
Mississippi	174	176	155	179	172	159	144	129	-4.0	-24.9
Missouri	265	215	197	203	261	263	254	232	28.7	-11.3
Montana	18	20	22	28	35	35	34	31	24.9	-9.8
Nebraska	34	39	44	41	48	45	41	39	17.6	-19.7
Nevada	12	14	14	20	35	38	41	38	74.9	6.6
New Hampshire	25	24	14	13	29	30	28	24	131.9	-17.9
New Jersey	449	469	367	298	349	335	316	288	17.3	-17.4
New Mexico	55	56	51	59	95	102	104	101	62.6	6.0
New York	1,247	1,108	1,112	979	1,197	1,255	1,256	1,184	22.2	-1.1
North Carolina	200	201	166	200	335	333	313	278	67.1	-17.0
North Dakota	14	13	12	15	19	16	14	13	21.1	-27.6
Ohio	563	590	673	629	719	685	612	546	14.2	-24.0
Oklahoma	89	91	82	103	138	131	124	105	34.0	-24.1
Oregon	122	92	74	87	118	114	104	87	34.8	-26.1
Pennsylvania	655	643	561	523	608	620	596	544	16.3	-10.6
Puerto Rico	188	172	173	185	190	183	168	155	2.6	-18.5
Rhode Island	53	55	44	42	62	63	61	58	47.3	-5.4
South Carolina	140	157	120	107	147	140	129	119	36.4	-18.7
South Dakota	24	19	16	19	20	19	17	16	6.2	-19.0
Tennessee	188	174	155	195	311	300	276	260	59.0	-16.3
Texas	315	325	363	540	782	788	750	684	44.8	-12.5
Utah	37	42	38	44	53	50	46	40	20.6	-23.3
Vermont	22	25	22	20	29	28	27	25	44.7	-11.4
Virgin Islands	4	4	4	3	4	4	5	5	11.1	31.5
Virginia	173	175	154	146	194	195	184	162	33.4	-16.7
Washington	143	155	178	219	288	292	286	274	31.4	-4.8
West Virginia	64	81	106	109	119	114	105	95	8.9	-20.1
Wisconsin	201	241	288	245	237	226	209	170	-3.3	-28.1
Wyoming	7	7	10	14	18	16	15	13	32.8	-29.6
United States	11,130	11,160	10,813	10,934	14,144	14,226	13,666	12,644	29.4	-10.6

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation, *Time Trends, FY 1984-1995*, and unpublished data.

Table A-10. AFDC Caseload by State, October 1989 to May 1997 Peak

[In thousands]

State	Peak Caseload Oct '89 to May '97	Date Peak Occurred Oct '89 to May '97	May '96 Caseload	May '97 Caseload	Percent Decline[1] from May '96	Percent Decline from Peak
Alabama	52.3	Mar-93	41.9	34.3	18.3	34.5
Alaska	13.4	Apr-94	12.9	12.5	3.0	6.4
Arizona	72.8	Dec-93	62.2	53.1	14.6	27.0
Arkansas	27.1	Mar-92	22.6	20.9	7.5	22.9
California	933.1	Mar-95	899.6	807.9	10.2	13.4
Colorado	43.7	Dec-93	35.4	29.6	16.4	32.4
Connecticut	61.9	Mar-95	57.8	55.5	4.0	10.4
Delaware	11.8	Apr-94	10.2	9.6	6.3	19.0
Dist. of Columbia	27.5	Apr-94	25.7	23.8	7.5	13.3
Florida	259.9	Nov-92	204.5	166.0	18.8	36.1
Georgia	142.8	Nov-93	129.0	103.4	19.8	27.6
Guam	2.4	Feb-97	2.1	2.2	-3.1	7.1
Hawaii	23.3	Apr-97	22.0	23.3	-6.0	0.0
Idaho	9.5	Mar-95	9.2	7.5	18.6	21.4
Illinois	243.1	Aug-94	224.7	193.0	14.1	20.6
Indiana	76.1	Sep-93	53.1	44.2	16.8	41.9
Iowa	40.7	Apr-94	32.3	28.8	10.9	29.4
Kansas	30.8	Aug-93	24.8	19.3	22.2	37.5
Kentucky	84.0	Mar-93	71.8	63.5	11.6	24.4
Louisiana	94.7	May-90	69.6	53.4	23.3	43.7
Maine	24.4	Aug-93	20.9	18.6	10.8	23.7
Maryland	81.8	May-95	72.4	57.5	20.6	29.8
Massachusetts	115.7	Aug-93	87.3	75.2	13.8	35.0
Michigan	233.6	Apr-91	177.0	147.8	16.5	36.7
Minnesota	66.2	Jun-92	58.6	52.9	9.8	20.2
Mississippi	61.8	Nov-91	46.9	38.1	18.8	38.4
Missouri	93.7	Mar-94	81.5	68.8	15.5	26.6
Montana	12.3	Mar-94	10.9	8.1	25.6	33.7
Nebraska	17.2	Mar-93	14.2	13.3	5.9	22.3
Nevada	16.3	Mar-95	14.4	11.6	19.7	28.9
New Hampshire	11.8	Apr-94	9.5	8.1	15.0	31.4
New Jersey	132.6	Nov-92	111.6	98.8	11.4	25.5
New Mexico	34.9	Nov-94	33.6	27.0	19.7	22.8
New York	463.7	Dec-94	430.7	379.7	11.8	18.1
North Carolina	134.1	Mar-94	112.3	97.2	13.4	27.5
North Dakota	6.6	Apr-93	4.9	4.2	15.5	37.3
Ohio	269.8	Mar-92	202.6	184.9	8.7	31.4
Oklahoma	51.3	Mar-93	37.8	29.3	22.4	42.8
Oregon	43.8	Apr-93	33.1	23.7	28.5	45.9
Pennsylvania	212.5	Sep-94	189.9	159.1	16.2	25.1
Puerto Rico	61.7	Jan-92	50.6	47.6	6.0	22.9
Rhode Island	22.9	Apr-94	21.1	19.7	6.6	13.9
South Carolina	54.6	Jan-93	45.5	31.3	31.2	42.7
South Dakota	7.4	Apr-93	6.1	5.1	15.9	30.6
Tennessee	112.6	Nov-93	97.5	64.7	33.6	42.5
Texas	289.7	Oct-94	249.8	210.4	15.8	27.4
Utah	18.7	Mar-93	14.6	11.7	19.9	37.4
Vermont	10.3	Apr-92	9.1	8.3	9.0	18.9
Virgin Islands	1.4	Dec-95	1.4	1.2	9.7	13.6
Virginia	76.0	Apr-94	64.8	52.0	19.7	31.5
Washington	104.8	Feb-95	99.7	93.1	6.6	11.2
West Virginia	41.9	Apr-93	35.6	31.9	10.6	24.0
Wisconsin	82.9	Jan-92	56.9	39.3	30.9	52.6
Wyoming	7.1	Aug-92	4.7	2.2	53.3	68.8
United States	5,098	Mar-94	4,519	3,874	14.3	24.0

[1] Negative values denote percent increase.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Planning, Research and Evaluation, Division of Data Collection and Analysis.

WR - Exec Actions

THE CLINTON ADMINISTRATION'S ACTIONS TO REFORM WELFARE

Under President Clinton's leadership, America's welfare system has changed profoundly. Three out of four AFDC recipients are now covered by reforms approved by the Clinton Administration. Welfare caseloads are down, the poverty rate is down, teen pregnancy rates are down, and Food Stamp rolls are down, while work and training activities among recipients are up, and child support collections have reached a record high. ***"Bill Clinton can justifiably claim that he has indeed ended welfare as we know it." Douglas J. Besharov, American Enterprise Institute, Business Week, May 20, 1996***

Executive Action On May 4, 1996, President Clinton announced four measures to make responsibility the law of the land, by ensuring that teen mothers on welfare stay in school and live at home. These four executive actions include: requiring all states to submit plans for requiring teen mothers to stay in school and prepare for employment; cutting through red tape to allow states to pay cash bonuses to teen mothers who finish high school; requiring all states to have teen mothers who have dropped out of school return to school and sign personal responsibility plans; and challenging all states to require minor mothers to live at home or with a responsible adult. With these actions, we're focusing on one of the key components of welfare reform: parental responsibility. And we're putting young mothers on the right path, toward employment and self-sufficiency.

State Welfare Demonstrations Since taking office, the Clinton Administration has approved 61 welfare-to-work programs in 38 states -- more than all previous administrations combined. In an average month, these welfare demonstrations cover more than 10 million people -- approximately 75 percent of all AFDC recipients. With our support, states are reforming welfare by requiring work, time-limiting assistance, making work pay, improving child support enforcement, and encouraging parental responsibility. ***"As senators dicker over welfare policy ... President Clinton has fostered what amounts to a quiet revolution ... While Republicans talk wholesale overhaul, the Clinton Administration lets states cut rolls." New York Times, 8/13/95.***

Self-sufficiency Due in part to the Administration's emphasis on welfare reform and its policies to strengthen the economy, welfare rolls have decreased by 1.3 million -- almost 10 percent -- since President Clinton took office. Participation in the Food Stamp program has dropped by over one million people -- with a savings of more than $1.3 billion since August 1994. In addition, the number of adult recipients participating in work and training activities is up dramatically since the President took office. In 1992, about 510,000 welfare recipients participated in the Job Opportunities and Basic Skills Program (JOBS). According to preliminary data, about 650,000 welfare recipients participated in JOBS in 1995, an increase of 28 percent over 1992.

Work and Responsibility Act of 1994 (H.R. 4605 and S. 2224) and Balanced Budget Plan of 1996 In 1994 and again in 1996, the Clinton Administration proposed sweeping welfare reform plans designed to promote work, encourage parental responsibility, and protect children. These plans impose tough time limits and work requirements, provide more funding for child care, require teen parents to live at home and stay in school, and crack down on child support enforcement. Congress and the National Governors' Association have incorporated a number of provisions from the Clinton plan into their welfare reform proposals. ***The President's 1994 proposal represents "the toughest work requirements ever attached to welfare, the first serious effort by any President, Democrat or Republican, to stop the disastrous generational cycle of America's dole society." New York Times, 7/31/94.***

Record Child Support Enforcement In 1995, the federal-state partnership collected a record $11 billion from non-custodial parents, an increase of $3 billion or nearly 40 percent since 1992. In addition, paternity establishments increased by over 40 percent from 1992 to 1995. President Clinton also signed an executive order to make sure federal employees pay the support they owe. Under the President's legislative proposals, child support collections could increase by an additional $24 billion over the next 10 years. Congress and the NGA have included all of the Administration's provisions for child support enforcement in their welfare reform bills.

More Than Half the Nation Enacting Welfare Reform Under the Clinton Administration

The Clinton Administration has approved 60 demonstrations in 37 states, launching welfare reform for thousands of families in more than half of the states, more than the two previous Administrations combined. In an average month, the welfare demonstrations cover over 10 million people, representing over 75 percent of all recipients. All of the waivers which we have granted build on many of the central principles of President Clinton's vision for welfare reform, including:

PRINCIPLE	DESCRIPTION	STATES APPROVED
Work	*Twenty-Nine states* are helping people move from welfare to work, from receiving welfare checks to earning paychecks, by increasing education and training opportunities and creating public/private sector partnerships.	*29* - Arizona, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin, Wyoming
Time Limited Cash Assistance	*Twenty-Seven states* are making welfare a transitional support system, rather than a way of life, by providing opportunity, but demanding responsibility in return.	*27* - Arizona, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Montana, Nebraska, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Texas, Vermont, Washington, Wisconsin
Child Support Enforcement	*Twenty-One states* are strengthening child support enforcement and sending a clear message that both parents must be responsible for their children.	*21* - Arizona, Connecticut, Delaware, Georgia, Indiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, New York, North Carolina, North Dakota, Ohio, Oregon, South Carolina, Texas, Vermont, Virginia, Wisconsin
Making Work Pay	*Thirty-Four states* are providing incentives and encouraging families to work not stay on welfare, so they can achieve and maintain economic self-sufficiency.	*34* - Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming
Parental Responsibility	*Thirty-Two states* are promoting parental responsibility by encouraging education, or limiting benefits for families who have another child while on AFDC.	*32* - Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Louisiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Texas, Vermont, Virginia, Wisconsin, Wyoming

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CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

WR - Caseloads

Total TANF families and recipients

(in thousands)

	Aug-96	Dec-99	Percent (96-99)
Families	4,415	2,358	-47%
		2,057,000 fewer families	
Recipients	12,241	6,275	-49%
		5,966,000 fewer recipients	

Total TANF recipients by State

STATE	Aug-96	Dec-99	Percent (96-99)
Alabama	100,662	58,352	-42%
Alaska	35,544	23,303	-34%
Arizona	169,442	87,909	-48%
Arkansas	56,343	30,912	-45%
California	2,581,948	1,333,820	-48%
Colorado	95,788	30,263	-68%
Connecticut	159,246	69,214	-57%
Delaware	23,654	18,471	-22%
Dist. of Col.	69,292	48,442	-30%
Florida	533,801	171,874	-68%
Georgia	330,302	137,241	-58%
Guam	8,314	11,003	32%
Hawaii	66,482	42,239	-36%
Idaho	21,780	2,523	-88%
Illinois	642,644	288,609	-55%
Indiana	142,604	98,410	-31%
Iowa	86,146	51,892	-40%
Kansas	63,783	37,421	-41%
Kentucky	172,193	90,806	-47%
Louisiana	228,115	95,176	-58%
Maine	53,873	30,838	-43%
Maryland	194,127	75,549	-61%
Massachusetts	226,030	107,542	-52%
Michigan	502,354	218,055	-57%
Minnesota	169,744	114,311	-33%
Mississippi	123,828	34,412	-72%
Missouri	222,820	126,723	-43%
Montana	29,130	14,479	-50%
Nebraska	38,592	28,294	-27%
Nevada	34,261	15,117	-56%
New Hampshire	22,937	14,287	-38%
New Jersey	275,637	139,308	-49%
New Mexico	99,661	79,071	-21%
New York	1,143,962	760,931	-33%
North Carolina	267,326	106,836	-60%
North Dakota	13,146	7,589	-42%

STATE	Aug-96	Dec-99	Percent (96-99)
Ohio	549,312	254,440	-54%
Oklahoma	96,201	38,995	-59%
Oregon	78,419	58,600	-25%
Pennsylvania	531,059	267,891	-50%
Puerto Rico	151,023	96,219	-36%
Rhode Island	56,560	47,225	-17%
South Carolina	114,273	39,188	-66%
South Dakota	15,896	7,005	-56%
Tennessee	254,818	163,839	-36%
Texas	649,018	342,810	-47%
Utah	39,073	26,074	-33%
Vermont	24,331	16,895	-31%
Virgin Islands	4,898	3,370	-31%
Virginia	152,845	78,182	-49%
Washington	268,927	158,062	-41%
West Virginia	89,039	28,850	-68%
Wisconsin	148,888	44,600	-70%
Wyoming	11,398	1,288	-89%
U.S. Total	12,241,489	6,274,555	-49%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-00

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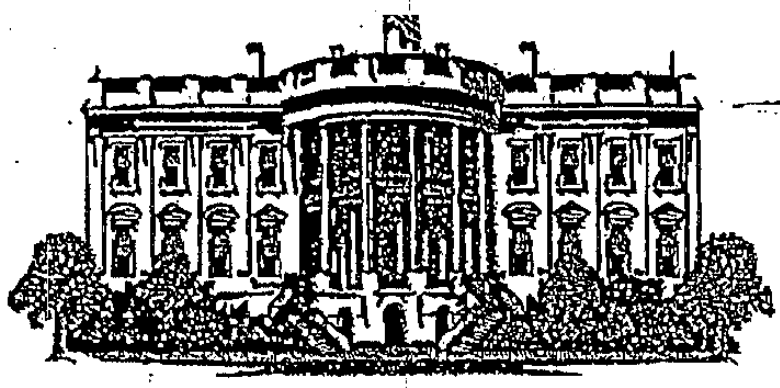
Temporary Assistance for Needy Families (TANF)
Percent of Total U.S. Population, 1960-1999

Year	Recipients	U.S. Pop.	% of Pop.
1960	3,005,000	180,671,000	1.7%
1961	3,354,000	183,691,000	1.8%
1962	3,676,000	186,538,000	2.0%
1963	3,876,000	189,242,000	2.0%
1964	4,118,000	191,889,000	2.1%
1965	4,329,000	194,303,000	2.2%
1966	4,513,000	196,560,000	2.3%
1967	5,014,000	198,712,000	2.5%
1968	5,705,000	200,706,000	2.8%
1969	6,706,000	202,677,000	3.3%
1970	8,466,000	205,052,000	4.1%
1971	10,241,000	207,661,000	4.9%
1972	10,947,000	209,896,000	5.2%
1973	10,949,000	211,909,000	5.2%
1974	10,864,000	213,854,000	5.1%
1975	11,165,185	215,973,000	5.2%
1976	11,386,371	218,035,000	5.2%
1977	11,129,702	220,239,000	5.1%
1978	10,671,812	222,585,000	4.8%
1979	10,317,902	225,055,000	4.6%
1980	10,597,445	227,726,000	4.7%
1981	11,159,847	229,966,000	4.9%
1982	10,430,960	232,188,000	4.5%
1983	10,659,365	234,307,000	4.5%
1984	10,865,604	236,348,000	4.6%
1985	10,812,625	238,466,000	4.5%
1986	10,996,505	240,651,000	4.6%
1987	11,065,027	242,804,000	4.6%
1988	10,919,696	245,021,000	4.5%
1989	10,933,980	247,342,000	4.4%
1990	11,480,382	249,913,000	4.6%
1991	12,592,269	252,650,000	5.0%
1992	13,625,342	255,419,000	5.3%
1993	14,142,710	258,137,000	5.5%
1994	14,225,591	260,372,000	5.5%
1995	13,652,232	263,034,000	5.2%
1996	12,648,859	265,284,000	4.8%
1997	10,936,298	267,636,000	4.1%
1998	8,770,376	270,029,000	3.2%
1999	7,202,639	272,690,813	2.6%
Dec. 1999*	6,274,555	274,024,000	2.3%

Note: unless noted, caseload numbers are average monthly

*most recent available

Source: HHS Administration for Children and Families



CC: Karen
Anna
Beier - w/draft release
Sarah
Weinstein
Waller
Bosland

THE WHITE HOUSE

Domestic Policy Council

DATE: 8/21

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NUMBER OF PAGES (INCLUDING COVER): 7

COMMENTS: (1) Participation rate table - draft of what will be released (should get electronic version in a.m.)

(2) Participation rate table - draft for internal use

Sharing waiver adjustment - I've noted top + bottom states FYI

(3) 1/93 - 12/99 caseload table - will get final electronic version w/ footnotes in a.m.

(4) 8/96 - 12/99 caseload table - "

(5) Historic caseload table - lowest # since 1968, lowest % of pop. since 1965 (note tied w/ 1966)

TABLE

This is what will be released

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
TANF WORK PARTICIPATION RATES
FISCAL YEAR 1999

STATE	ALL FAMILY RATES: RATE	ALL FAMILY RATES: ADJUSTED STANDARD 3/	ALL FAMILY RATES: MET TARGET	TWO-PARENT FAMILY RATES: RATE	TWO-PARENT FAMILY RATES: ADJUSTED STANDARD 3/	TWO-PARENT FAMILY RATES: MET TARGET
UNITED STATES	38.3			54.7		
ALABAMA	37.4	0.0%	✓	1/		NA
ALASKA	46.0	16.8%	✓	44.8	66.8%	
ARIZONA	32.1	0.0%	✓	68.4	48.9%	✓
ARKANSAS	23.7	6.0%	✓	10.5	61.0%	
CALIFORNIA	42.2	6.5%	✓	54.3	36.8%	✓
COLORADO	36.4	0.0%	✓	41.2	44.9%	
CONNECTICUT	47.4	19.7%	✓	1/		NA
DELAWARE	24.9	0.0%	✓	1/		NA
DIST. OF COL.	26.7	13.9%	✓	19.5	23.3%	
FLORIDA	31.6	0.0%	✓	1/		NA
GEORGIA	17.8	0.0%	✓	1/		NA
GUAM	16.1	35.0%		10.7	90.0%	
HAWAII	41.1	23.1%	✓	1/		NA
IDAHO	43.7	0.0%	✓	44.0	20.6%	✓
ILLINOIS	60.4	6.1%	✓	92.4	46.2%	✓
INDIANA	33.3	0.0%	✓	41.4	32.3%	✓
IOWA	54.8	4.7%	✓	65.5	49.0%	✓
KANSAS	57.3	3.9%	✓	64.8	56.9%	✓
KENTUCKY	38.1	5.8%	✓	46.6	17.6%	✓
LOUISIANA	29.4	0.0%	✓	43.1	33.5%	✓
MAINE	54.9	5.5%	✓	51.0	23.6%	✓
MARYLAND	11.2	7.2%	✓	1/		NA
MASSACHUSETTS	27.6	0.9%	✓	68.4	55.9%	✓
MICHIGAN	43.8	0.0%	✓	69.1	15.2%	✓
'NESOTA	36.9	13.7%	✓	43.6	68.7%	
SISSIPPI	27.0	0.0%	✓	87.5	39.7%	✓
SSOURI	28.2	2.2%	✓	29.8	0.0%	✓
MONTANA	82.3	0.0%	✓	67.0	46.2%	✓
NEBRASKA	34.7	19.7%	✓	53.8	74.7%	
NEVADA	34.8	1.1%	✓	69.6	56.1%	✓
NEW HAMPSHIRE	29.8	0.0%	✓	31.6	8.0%	✓
NEW JERSEY	30.3	7.1%	✓	1/		NA
NEW MEXICO	27.6	0.0%	✓	28.3	54.1%	
NEW YORK	38.3	8.3%	✓	58.4	23.1%	✓
NORTH CAROLINA	16.0	0.0%	✓	30.3	45.1%	
NORTH DAKOTA	31.7	0.8%	✓	1/		NA
OHIO	53.7	1.4%	✓	65.4	35.1%	✓
OKLAHOMA	42.9	0.0%	✓	1/		NA
OREGON	96.7	0.0%	✓	96.1	38.5%	✓
PENNSYLVANIA	16.2	0.9%	✓	24.8	20.7%	✓
PUERTO RICO	20.7	12.3%	✓	1/		NA
RHODE ISLAND	28.8	22.0%	✓	94.7	77.0%	✓
SOUTH CAROLINA	44.7	6.7%	✓	78.1	61.7%	✓
SOUTH DAKOTA	46.5	1.6%	✓	1/		NA
TENNESSEE	41.1	0.0%	✓	44.3	5.2%	✓
TEXAS	27.3	0.0%	✓	61.0	48.2%	✓
UTAH	44.0	2.2%	✓	1/		NA
VERMONT	2/		NA	2/		NA
VIRGIN ISLANDS	11.5	19.7%		1/		NA
VIRGINIA	41.1	0.0%	✓	1/		NA
WASHINGTON	40.3	12.9%	✓	55.3	47.8%	✓
WEST VIRGINIA	25.6	0.0%	✓	25.9	51.1%	
'ISCONSIN	80.1	0.0%	✓	65.8	20.1%	✓
'OMING	57.7	0.0%	✓	90.7	0.0%	✓

KEY

1/ State does not have any two-parent families in its TANF Program.

2/ State claims waiver inconsistencies exempt all cases from participation rates.

3/ The work participation rate standard before the application of the caseload reduction credit is 35% for the overall rate and 90% for the two-parent rate.

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ACF/OPRE: 06-20-2000

TABL

This is for internal use only.

Temporary Assistance for Needy Families
TANF Work Participation Rates
Fiscal Year 1999

STATE	ALL FAMILY RATES				TWO-PARENT FAMILY RATES			
	ABSENT WAIVER	WITH WAIVER	ADJUSTED STANDARD 3/	MET TARGET	ABSENT WAIVER	WITH WAIVER	ADJUSTED STANDARD 3/	MET TARGET
UNITED STATES	35.6	38.3			51.9	54.7		
ALABAMA	37.4		0.0%	✓	1/			NA
ALASKA	46.0		16.8%	✓	44.8		66.8%	
ARIZONA	32.1		0.0%	✓	88.4		48.9%	✓
ARKANSAS	23.7		46 8.0%	✓	10.5		61.0%	
CALIFORNIA	42.2		8.8%	✓	54.3		36.9%	✓
COLORADO	36.4		0.0%	✓	41.2		44.8%	
CONNECTICUT	40.9	47.4	9 19.7%	✓	1/			NA
DELAWARE	18.8	24.9	45 0.0%	✓	1/			NA
DIST. OF COL.	26.7		13.8%	✓	19.5		23.3%	
FLORIDA	31.6		0.0%	✓	1/			NA
GEORGIA	17.6		47 0.0%	✓	1/			NA
GUAM	16.1		35.0%		10.7		90.0%	
HAWAII	22.8	41.1	23.1%	✓	1/			NA
IDAHO	43.7		0.0%	✓	44.0		20.6%	✓
ILLINOIS	60.4		4 6.1%	✓	92.4		46.2%	✓
INDIANA	33.3		0.0%	✓	41.4		32.3%	✓
IOWA	54.8		7 4.7%	✓	55.5		49.0%	✓
KANSAS	57.3		3.8%	✓	64.9		56.8%	✓
KENTUCKY	38.1		5.6%	✓	46.6		17.6%	✓
LOUISIANA	29.4		0.0%	✓	43.1		33.5%	✓
MAINE	54.9		5.9%	✓	51.0		23.6%	✓
MARYLAND	11.2		50 7.2%	✓	1/			NA
MASSACHUSETTS	21.4	27.8	0.9%	✓	24.0	66.4	55.9%	✓
MICHIGAN	43.8		0.0%	✓	69.1		15.2%	✓
MINNESOTA	32.1	36.9	13.7%	✓	34.7	43.6	68.7%	
MISSISSIPPI	27.0		43 0.0%	✓	87.5		39.7%	✓
MISSOURI	20.0	28.2	41 2.2%	✓	22.7	29.8	0.0%	✓
MONTANA	92.3		2 0.0%	✓	87.0		45.2%	✓
NEBRASKA	34.7		19.7%	✓	53.8		74.7%	
NEVADA	34.8		1.1%	✓	69.6		56.1%	✓
NEW HAMPSHIRE	21.9	29.9	0.0%	✓	31.6		6.0%	✓
NEW JERSEY	30.3		7.1%	✓	1/			NA
NEW MEXICO	27.6		0.0%	✓	29.3		64.1%	
NEW YORK	36.3		8.3%	✓	58.4		23.1%	✓
NORTH CAROLINA	16.0		49 0.0%	✓	30.3		45.1%	
NORTH DAKOTA	31.7		0.8%	✓	1/			NA
OHIO	53.7		8 1.4%	✓	65.4		35.1%	✓
OKLAHOMA	42.9		0.0%	✓	1/			NA
OREGON	7.7	96.7	1 0.0%	✓	13.9	96.1	38.5%	✓
PENNSYLVANIA	18.2		48 0.9%	✓	24.9		20.7%	✓
PUERTO RICO	20.7		12.3%	✓	1/			NA
RHODE ISLAND	28.8		22.0%	✓	94.7		77.0%	✓
SOUTH CAROLINA	32.4	44.7	6.7%	✓	69.5	78.1	81.7%	✓
SOUTH DAKOTA	46.5		10 1.6%	✓	1/			NA
TENNESSEE	32.0	41.1	0.0%	✓	35.0	44.3	5.2%	✓
TEXAS	9.7	27.3	42 0.0%	✓	15.8	61.0	48.2%	✓
UTAH	44.0		2.2%	✓	1/			NA
VERMONT	2/	2/		NA	2/	2/		NA
VIRGIN ISLANDS	11.5		19.7%		1/			NA
VIRGINIA	28.9	41.1	0.0%	✓	1/			NA
WASHINGTON	40.3		12.9%	✓	55.3		47.8%	✓
WEST VIRGINIA	25.6		44 0.0%	✓	25.9		51.1%	
WISCONSIN	60.1		0.0%	✓	55.8		20.1%	✓
WYOMING	57.7		0.0%	✓	90.7		0.0%	✓

KEY

1/ State does not have any two-parent families in its TANF Program.

2/ State claims waiver inconsistencies exempt all cases from participation rate

3/ The work participation rate standard before the application of the caseload reduction credit is 35% for the overall and 90% for the two-parent rate.

DRAFT

ACF/OPRE: 06-20-2000

State ranks (1 = highest, 50 = lowest) using adjusted rates (with waiver if applicable)

DRAFT

CHANGE IN TANF CASELOADS

Total TANF families and recipients

(In thousands)

	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Jan-99	Dec-99	Percent (93-99)
Families	4,963	5,053	4,963	4,628	4,114	3,305	2,734	2,358	-52%
				2,605,000 fewer families					
Recipients	14,115	14,276	13,931	12,877	11,423	9,132	7,455	6,275	-56%
				7,840,000 fewer recipients					

Total TANF recipients by State

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Jan-99	Dec-99	Percent (93-99)
Alabama	141,746	135,096	121,837	108,269	81,723	61,809	48,459	58,352	-59%
Alaska	34,951	37,505	37,264	35,432	36,189	31,689	26,883	23,303	-33%
Arizona	194,119	202,350	195,082	171,617	151,526	113,209	88,456	87,909	-55%
Arkansas	73,982	70,563	65,325	59,223	54,879	36,704	29,284	30,912	-58%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	2,144,495	1,845,919	1,333,820	-45%
Colorado	123,308	118,081	110,742	99,739	87,434	55,352	40,799	30,263	-75%
Connecticut	160,102	164,265	170,719	161,736	155,701	138,866	88,304	69,214	-57%
Delaware	27,652	28,286	26,314	23,153	23,141	18,504	15,891	18,471	-33%
Dist. of Col.	66,860	72,330	72,330	70,082	67,871	58,128	52,957	48,442	-26%
Florida	701,842	689,135	657,313	575,553	478,329	320,886	220,216	171,874	-76%
Georgia	402,228	396,736	388,913	367,656	306,825	220,070	167,400	137,241	-66%
Guam	5,087	6,651	7,630	7,634	7,370	7,461	8,270	11,003	116%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,817	45,582	42,239	-23%
Idaho	21,116	23,342	24,050	23,547	19,812	4,446	3,081	2,523	-88%
Illinois	685,508	709,969	710,032	663,212	601,854	526,851	388,334	286,609	-58%
Indiana	209,862	216,061	197,225	147,083	121,974	95,665	105,069	98,410	-53%
Iowa	100,943	110,639	103,108	91,727	78,275	69,504	60,380	51,892	-49%
Kansas	87,525	87,433	81,504	70,758	57,528	38,462	33,376	37,241	-57%
Kentucky	227,879	208,710	193,722	176,601	162,730	132,388	102,370	90,808	-60%
Louisiana	263,338	252,860	258,180	239,247	206,582	118,404	115,791	95,176	-64%
Maine	87,836	65,006	60,973	56,319	51,178	41,265	36,812	30,838	-55%
Maryland	221,338	219,863	227,887	207,800	169,723	130,196	92,711	75,549	-66%
Massachusetts	332,044	311,732	286,175	242,572	214,014	181,729	131,139	107,542	-68%
Michigan	686,356	672,760	612,224	535,704	462,231	376,985	267,749	218,055	-68%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,064	124,659	114,311	-40%
Mississippi	174,093	161,724	146,319	133,029	109,097	66,030	42,651	34,412	-80%
Missouri	259,039	262,073	259,595	238,052	208,132	162,950	136,782	126,723	-51%
Montana	34,848	35,415	34,313	32,557	28,138	20,137	16,152	14,479	-58%
Nebraska	48,055	46,034	42,038	38,653	36,535	38,090	35,057	28,294	-41%
Nevada	34,943	37,908	41,846	40,491	28,973	29,262	21,753	15,117	-57%
New Hampshire	28,972	30,386	28,671	24,519	20,627	15,947	15,130	14,287	-51%
New Jersey	349,902	334,780	321,151	293,633	256,064	217,320	164,815	139,308	-60%
New Mexico	94,836	101,676	105,114	102,648	89,814	64,759	80,828	79,071	-17%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	941,714	822,970	760,931	-35%
North Carolina	331,633	334,451	317,836	282,086	253,288	192,172	145,596	106,836	-68%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,884	8,250	7,589	-60%
Ohio	720,476	691,099	629,719	552,304	518,595	386,238	311,872	254,550	-65%
Oklahoma	146,454	133,152	127,336	110,498	87,312	69,630	61,894	38,995	-73%
Oregon	117,656	118,390	107,610	92,182	68,919	48,561	44,219	58,600	-50%
Pennsylvania	604,701	615,581	611,215	553,148	484,321	395,107	313,621	267,891	-56%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	130,283	111,361	96,219	-50%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,537	50,632	47,225	-23%
South Carolina	151,026	143,883	133,567	121,703	98,077	73,179	45,648	39,188	-74%
South Dakota	20,254	19,413	17,652	16,821	14,091	10,514	8,759	7,005	-65%
Tennessee	320,709	302,608	281,982	265,320	195,891	139,022	148,781	163,839	-49%
Texas	785,271	795,348	765,460	714,523	626,617	439,824	325,766	342,810	-56%

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Jan-99	Dec-99	
Utah	53,172	50,667	47,472	41,145	35,493	29,868	30,276	26,074	-51%
Vermont	28,961	28,095	27,716	25,865	23,570	21,013	18,324	16,895	-42%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,129	3,541	3,370	-10%
Virginia	194,212	194,959	189,493	166,012	136,053	107,192	91,544	78,182	-60%
Washington	286,258	292,608	290,940	276,016	263,792	228,723	177,611	158,062	-45%
West Virginia	119,918	115,376	107,668	98,439	98,690	51,348	32,161	28,850	-76%
Wisconsin	241,098	230,621	214,404	184,209	132,383	44,630	47,336	44,600	-82%
Wyoming	18,271	16,740	15,434	13,531	10,322	2,903	1,886	1,288	-93%
U.S. Total	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	9,131,716	7,455,297	6,274,555	-56%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-00

CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

Total TANF families and recipients

(in thousands)

	Aug-96	Jun-99	Percent (96-99)
Families	4,415	2,536	-43%
		1,879,000 fewer families	
Recipients	12,241	6,889	-44%
		5,352,000 fewer recipients	

Total TANF recipients by State

STATE	Aug-96	Jun-99	Percent (96-99)
Alabama	100,662	45,472	-55%
Alaska	35,544	25,393	-29%
Arizona	169,442	87,894	-48%
Arkansas	56,343	29,350	-48%
California	2,581,948	1,735,103	-33%
Colorado	95,788	35,469	-63%
Connecticut	159,246	83,458	-48%
Delaware	23,654	15,599	-34%
Dist. of Col.	69,292	46,840	-32%
Florida	533,801	173,341	-68%
Georgia	330,302	130,210	-61%
Guam	8,314	8,864	7%
Hawaii	66,482	44,229	-33%
Idaho	21,780	4,365	-80%
Illinois	642,644	344,320	-46%
Indiana	142,604	108,986	-24%
Iowa	86,146	57,356	-33%
Kansas	63,783	32,532	-49%
Kentucky	172,193	93,444	-46%
Louisiana	228,115	100,577	-56%
Maine	53,873	35,313	-34%
Maryland	194,127	89,003	-54%
Massachusetts	226,030	123,933	-45%
Michigan	502,354	244,621	-51%
Minnesota	169,744	135,202	-20%
Mississippi	123,828	33,853	-73%
Missouri	222,820	125,981	-43%
Montana	29,130	14,079	-52%
Nebraska	38,592	32,228	-16%
Nevada	34,261	18,308	-47%
New Hampshire	22,937	15,416	-33%
New Jersey	275,637	159,721	-42%
New Mexico	99,661	77,896	-22%
New York	1,143,962	795,030	-31%
North Carolina	267,326	124,432	-53%
North Dakota	13,146	8,227	-37%

STATE	Aug-96	Jun-99	Percent (96-99)
Ohio	549,312	258,773	-53%
Oklahoma	96,201	50,910	-47%
Oregon	78,419	44,565	-43%
Pennsylvania	531,059	304,451	-43%
Puerto Rico	151,023	103,220	-32%
Rhode Island	56,560	49,897	-12%
South Carolina	114,273	40,293	-65%
South Dakota	15,896	7,625	-52%
Tennessee	254,818	147,137	-42%
Texas	649,018	288,525	-56%
Utah	39,073	28,909	-26%
Vermont	24,331	17,585	-28%
Virgin Islands	4,898	3,531	-28%
Virginia	152,845	83,733	-45%
Washington	268,927	164,323	-39%
West Virginia	89,039	31,032	-65%
Wisconsin	148,888	27,140	-82%
Wyoming	11,398	1,621	-86%
U.S. Total	12,241,489	6,889,315	-44%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-99

CHANGE IN TANF CASELOADS

Total TANF families and recipients

(in thousands)

	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Jun-99	Percent (93-99)
Families	4,963	5,053	4,963	4,628	4,114	3,305	2,536	-49%
				2,400,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	9,132	6,889	-51%
				7,226,000 fewer recipients				

Total TANF recipients by State

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Jun-99	Percent (93-99)
Alabama	141,746	135,096	121,837	108,269	91,723	61,809	45,472	-68%
Alaska	34,951	37,505	37,264	35,432	36,189	31,689	25,393	-27%
Arizona	194,119	202,350	195,082	171,617	151,526	113,209	87,894	-55%
Arkansas	73,982	70,563	65,325	59,223	54,879	36,704	29,350	-60%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	2,144,495	1,735,103	-28%
Colorado	123,308	118,081	110,742	99,739	87,434	55,352	35,469	-71%
Connecticut	160,102	164,265	170,719	161,736	155,701	138,666	83,458	-48%
Delaware	27,652	29,286	26,314	23,153	23,141	18,504	15,599	-44%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	56,128	46,840	-29%
Florida	701,842	689,135	657,313	575,553	478,329	320,886	173,341	-75%
Georgia	402,228	396,736	388,913	367,656	306,625	220,070	130,210	-68%
Guam	5,087	6,651	7,630	7,634	7,370	7,461	8,864	74%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,817	44,229	-19%
Idaho	21,116	23,342	24,050	23,547	19,812	4,446	4,365	-79%
Illinois	685,508	709,969	710,032	663,212	601,854	526,851	344,320	-50%
Indiana	209,882	218,061	197,225	147,083	121,974	95,665	108,986	-48%
Iowa	100,943	110,639	103,108	91,727	78,275	69,504	57,356	-43%
Kansas	87,525	87,433	81,504	70,758	57,528	38,462	32,532	-63%
Kentucky	227,879	208,710	193,722	176,601	162,730	132,388	93,444	-59%
Louisiana	263,338	252,860	258,180	239,247	206,582	118,404	100,577	-62%
Maine	67,836	65,006	60,973	56,319	51,178	41,265	35,313	-48%
Maryland	221,338	219,863	227,887	207,800	169,723	130,196	89,003	-60%
Massachusetts	332,044	311,732	286,175	242,572	214,014	181,729	123,933	-63%
Michigan	686,356	672,760	612,224	535,704	462,291	376,985	244,621	-64%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,064	135,202	-29%
Mississippi	174,093	161,724	146,319	133,029	109,097	66,030	33,853	-81%
Missouri	259,039	262,073	259,595	238,052	208,132	162,950	125,981	-51%
Montana	34,848	35,415	34,313	32,557	28,138	20,137	14,079	-60%
Nebraska	48,055	46,034	42,038	38,653	36,535	38,090	32,228	-33%
Nevada	34,943	37,908	41,846	40,491	28,973	29,262	18,308	-48%
New Hampshir	28,972	30,386	28,671	24,519	20,627	15,947	15,416	-47%
New Jersey	349,902	334,780	321,151	293,833	256,064	217,320	159,721	-54%
New Mexico	94,836	101,676	105,114	102,648	89,814	64,759	77,896	-18%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	941,714	795,030	-33%
North Carolina	331,633	334,451	317,836	282,086	253,286	192,172	124,432	-62%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,884	8,227	-56%

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Jun-99	Percent (93-99)
Ohio	720,476	691,099	629,719	552,304	518,595	386,239	258,773	-64%
Oklahoma	146,454	133,152	127,336	110,498	87,312	69,630	50,910	-65%
Oregon	117,656	116,390	107,610	92,182	66,919	48,561	44,565	-62%
Pennsylvania	604,701	615,581	611,215	553,148	484,321	395,107	304,451	-50%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	130,283	103,220	-46%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,537	49,897	-18%
South Carolina	151,026	143,883	133,567	121,703	98,077	73,179	40,293	-73%
South Dakota	20,254	19,413	17,652	16,821	14,091	10,514	7,625	-62%
Tennessee	320,709	302,608	281,982	265,320	195,891	139,022	147,137	-54%
Texas	785,271	796,348	765,460	714,523	626,617	439,824	288,525	-63%
Utah	53,172	50,657	47,472	41,145	35,493	29,868	28,909	-46%
Vermont	28,961	28,095	27,716	25,865	23,570	21,013	17,585	-39%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,129	3,531	-6%
Virginia	194,212	194,959	189,493	166,012	136,053	107,192	83,733	-57%
Washington	286,258	292,608	290,940	276,018	263,792	228,723	164,323	-43%
West Virginia	119,916	115,376	107,668	98,439	98,690	51,348	31,032	-74%
Wisconsin	241,098	230,621	214,404	184,209	132,383	44,630	27,140	-89%
Wyoming	18,271	16,740	15,434	13,531	10,322	2,903	1,621	-91%
U.S. Total	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	9,131,716	6,889,315	-51%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-99

WR - Caseload

Temporary Assistance for Needy Families (TANF)
Percent of Total U.S. Population, 1960-1999

Year	Recipients	U.S. Pop.	% of Pop.
1960	3,005,000	180,671,000	1.7%
1961	3,354,000	183,691,000	1.8%
1962	3,676,000	186,538,000	2.0%
1963	3,876,000	189,242,000	2.0%
1964	4,118,000	191,889,000	2.1%
1965	4,329,000	194,303,000	2.2%
1966	4,513,000	196,560,000	2.3%
1967	5,014,000	198,712,000	2.5%
1968	5,705,000	200,706,000	2.8%
1969	6,706,000	202,677,000	3.3%
1970	8,466,000	205,052,000	4.1%
1971	10,241,000	207,661,000	4.9%
1972	10,947,000	209,896,000	5.2%
1973	10,949,000	211,909,000	5.2%
1974	10,864,000	213,854,000	5.1%
1975	11,165,185	215,973,000	5.2%
1976	11,386,371	218,035,000	5.2%
1977	11,129,702	220,239,000	5.1%
1978	10,671,812	222,585,000	4.8%
1979	10,317,902	225,055,000	4.6%
1980	10,597,445	227,726,000	4.7%
1981	11,159,847	229,966,000	4.9%
1982	10,430,960	232,188,000	4.5%
1983	10,659,365	234,307,000	4.5%
1984	10,865,604	236,348,000	4.6%
1985	10,812,625	238,466,000	4.5%
1986	10,996,505	240,651,000	4.6%
1987	11,065,027	242,804,000	4.6%
1988	10,919,696	245,021,000	4.5%
1989	10,933,980	247,342,000	4.4%
1990	11,460,382	249,913,000	4.6%
1991	12,592,269	252,850,000	5.0%
1992	13,625,342	255,419,000	5.3%
1993	14,142,710	258,137,000	5.5%
1994	14,225,591	260,372,000	5.5%
1995	13,652,232	263,034,000	5.2%
1996	12,648,859	265,284,000	4.8%
1997	10,936,298	267,636,000	4.1%
1998	8,770,376	270,029,000	3.2%
March 1999*	7,334,978	272,190,000	2.7%

Note: unless noted, caseload numbers are average monthly

*most recent available

lowest since 1969
30 years

lowest since 1967
32 years

Source: HHS Administration for Children and Families

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WR-
Cities

February 26, 1999

Dear Friend,

Enclosed please find "The State of Welfare Caseloads in America's Cities: 1999," the Brookings Center on Urban and Metropolitan Policy's latest examination of welfare trends in urban areas. Since its inception, the Brookings Urban Center has been concerned about how the 1996 federal welfare law would affect cities and urban neighborhoods. This report summarizes what the Center has learned about caseload declines in urban areas. We expect to produce regular updates as new data becomes available.

The report confirms that welfare caseloads are rapidly declining in America's cities. From 1994 to 1998, the county welfare rolls in 30 of the largest American cities declined by 35 percent. However, welfare caseloads in urban counties are not shrinking as quickly as they are in their respective states, which leads to an increasing concentration of welfare recipients in urban areas. Between 1994 and 1998, the counties that contain the thirty largest cities saw their share of the states' welfare burden rise from 45 to 53 percent. Thus, Baltimore is home to 13 percent of Maryland residents, but 56 percent of Maryland welfare recipients. Philadelphia is where 12 percent of all Pennsylvanians, but 47 of Pennsylvanians on welfare, live. Overall, the 30 urban counties in this study contain 20 percent of the total U.S. population but nearly 40 percent of the nation's welfare population.

The report examines some of the reasons behind the trend toward increasing concentration of welfare caseloads in urban areas. These include: regional differences; the effects of concentrated poverty; and high unemployment rates. Finally, the report includes an outline of federal, state, regional and local policy implications.

Welfare reform will succeed or fail at the local level. As states continue to hit their time limits and remaining caseloads become harder to serve, national and state-level data becomes less and less useful for agencies and organizations trying to move people from welfare to work. More spatially detailed data is needed to inform how and where states choose to spend their welfare funding. We think that this report contributes to that pool of much-needed data. We hope you find it interesting and useful.

Sincerely,

Bruce Katz
Director and Senior Fellow

Breaking News
FROM A.P.

The New York Times ON THE WEB

When SUN built a
Java™ technology-enabled intranet for SONY,

February 19, 1999

Welfare Concentrated in Big Cities

Filed at 1:40 a.m. EST

By The Associated Press

WASHINGTON (AP) -- With welfare rolls declining, the nation's largest and oldest urban areas are home to an increasing portion of the nation's welfare families.

It is an important trend for state officials, after four years of unprecedented reductions in welfare recipients, as they now focus on those who remain on the rolls. The cities also also home to a host of social problems including deep poverty and isolation from suburban jobs.

``This is ultimately where welfare reform succeeds or fails at the end of the day," said Bruce Katz of the Brookings Institution's Center on Urban and Metropolitan Policy, which released the study Thursday.

Welfare caseloads are dropping inside and outside of cities, but they are dropping most slowly in the nation's largest and oldest urban areas, particularly in the Northeast, Midwest and South, the study said.

``Caseload decline does not tell the whole story of welfare reform in America," the report said. ``The largest American cities are becoming home to a larger and larger share of the national welfare burden."

Researchers say that has implications for local, state and federal governments, suggesting they must develop new ways to get people in cities to jobs in the suburbs and must address the hard-core problems of deep poverty.

Between 1994 and 1998, welfare rolls fell 35 percent in the counties that contain the nation's 30 largest cities. That compares with a 44 percent drop nationwide.

A third of the nation's welfare families lived in these counties in 1994. That rose to 40 percent by last year, but these counties are home to just 20 percent of the total population.

Philadelphia, for example, housed 38.5 percent of Pennsylvania's welfare population in 1994; in 1998, 47 percent of the state's welfare cases lived there.

The study found cities with a growing portion of the welfare population shared some characteristics: They were likely to be in the South, Northeast and Midwest; they were likely to have higher unemployment rates; and they were more likely to have high rates of concentrated poverty -- meaning areas where at least 40 percent of the people are poor.

Concentrated poverty is associated with a host of other problems that make it tough to get off welfare: illiteracy, drug and alcohol abuse, school dropouts, teen pregnancy and out-of-wedlock births.

Some state officials say they are trying to address the problems, most notably lack of transportation to get people to suburban jobs.

``There is no countywide transportation system'' in the Detroit area, said Karen Smith, spokeswoman for Michigan's welfare department. ``It is very difficult for people who do not own their own vehicles to get from where they live to where a job might exist.''

Detroit houses 48 percent of Michigan's welfare families, up from 42 percent in 1994.

In Maryland, 56 percent of welfare families live in Baltimore, up from 48 percent in 1994.

``The jobs are in the outlying counties, and we've got to create some kind of mechanism to get people out to where the jobs are,'' said Connie Tolbert, a policy specialist for Maryland.

But other states say they are not focusing on the cities in particular but are trying to serve all people who face unusual barriers to getting to work.

``We provide services uniformly across the state,'' said Patricia Harris-Morehead, spokeswoman for Tennessee's welfare department.

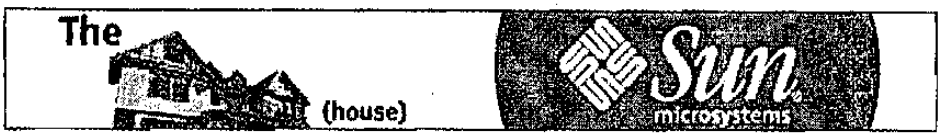
The study found of the nation's 30 largest cities:

--14 saw their caseloads drop more slowly than their state's caseload.

--In six, the declines were about even with the state.

--In nine, welfare rolls fell faster in the city than in the rest of the state.

Washington, D.C., one of the 30 cities, is not in a state.



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Article 13 of 28
AN TRIB9905000342
SE NEWS
HD **STUDY FINDS URBAN AREAS LAG IN TRIMMING WELFARE CASES ILLINOIS AMONG WORST IN STATES FALTERING IN TASK TO CUT LOAD**
BY Merrill Goozner, Washington Bureau.

WC 525 Words
CC 3883 Characters

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ED NORTH SPORTS FINAL; N
PG Page 8
CY (Copyright 1999 by the Chicago Tribune)

LP **Welfare** caseloads in the nation's major urban counties have not fallen as quickly as their surrounding states, according to a report released Thursday.

Tight labor markets, while paring **welfare** rolls, have not drawn the hardest-to-employ into the workforce, the report suggested. Unless the trend is reversed, bigger cities will still have large dependent populations as they approach the aid-cutoff dates mandated by the federal **welfare** reform law.

TD The report's authors said states must begin adopting more creative policies for helping the hardest-to-employ to enter the workforce.

"The **welfare** population in many of these cities is intergenerational, with a whole set of issues that have to be dealt with," said Bruce Katz, director of the Center on Urban and Metropolitan Policy of the **Brookings** Institution, which issued the report.

The problems facing the hard-to-employ are well known, including a lack of basic math and reading skills, poor work habits, little job training and inadequate transportation to outer suburbs and other areas where most new jobs are being created.

State governments, often using federal grants, have developed programs to address these problems, but the programs are poorly coordinated and do not reach the people most in need, Katz said.

In part, that is because federal policies hamstring states' ability to target their subsidies, he said. "Block grants to states are being allocated on a per-capita basis and not to places with concentrated poverty," Katz said.

Source: Chicago Tribune, February 19, 1999

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According to the report, **welfare** caseloads in the 19 states with the nation's 30 largest urbanized counties fell 43.5 percent, to 2.14 million, from 1994 to 1998. But in the cities themselves, the decline was 35.3 percent, to 1.1 million.

Over the four-year period, the urbanized counties' share of their states' total **welfare** caseload rose to 53 percent from 45 percent.

Illinois ranked near the bottom of the study in terms of overall caseload reduction, falling 31.7 percent to 169,379 families over the four-year period.

By contrast, Wisconsin reduced its **welfare** caseload by 83.9 percent, Indiana by 49.3 percent, Michigan by 46 percent and Ohio by 44.6 percent.

Cook County also lagged behind its urban Midwestern counterparts and cities around the country. The Cook County caseload fell 28.5 percent to 113,419 families over the four years, while the caseload in Wayne County, which includes Detroit, fell 39.1 percent; Milwaukee County fell 71.6 percent; Marion County, which includes Indianapolis, fell 50.1 percent; and Cuyahoga County, which includes Cleveland, fell 31.1 percent.

While Cook County did slightly better than New York City, which has the largest **welfare** population in the nation, it did significantly better than Los Angeles County, where the longer-lasting effects of the early 1990s recession caused **welfare** caseloads to fall only 18.1 percent between 1994 and 1998.

The Illinois **welfare** reform bill gave **welfare** recipients on the rolls as of July 1, 1997--and anyone going on what is now called Temporary Assistance for Needy Families--five years of eligibility over their lifetimes.

Mothers on **welfare** with older children are limited to two years of lifetime eligibility under the law.

According to B.J. Walker, director of community operations for the Illinois Department of Human Services, about 600 people have exhausted their limitations.

Source: Chicago Tribune, February 19, 1999

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wr- Caseloads

CHANGE IN TANF CASELOADS

Total TANF families and recipients

(in thousands)

	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Mar-99	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	3,305	2,668	-46%
				2,295,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	9,132	7,335	-48%
				6,780 fewer recipients				

Total TANF recipients by State

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Mar-99	Percent (93-98)
Alabama	141,746	135,096	121,837	108,269	91,723	61,809	46,934	-67%
Alaska	34,951	37,505	37,264	35,432	36,189	31,689	28,020	-20%
Arizona	194,119	202,350	195,082	171,617	151,526	113,209	92,467	-52%
Alabama	73,982	70,563	65,325	59,223	54,879	36,704	29,340	-60%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	2,144,495	1,818,197	-25%
Colorado	123,308	118,081	110,742	99,739	87,434	55,352	39,346	-68%
Connecticut	160,102	164,265	170,719	161,736	155,701	138,666	90,799	-43%
Delaware	27,652	29,286	26,314	23,153	23,141	18,504	16,581	-40%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	56,128	52,140	-21%
Florida	701,842	689,135	657,313	575,553	478,329	320,886	198,101	-72%
Georgia	402,228	396,736	388,913	367,656	306,625	220,070	137,976	-66%
Guam	5,087	6,651	7,630	7,634	7,370	7,461	8,620	69%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,817	45,515	-17%
Idaho	21,116	23,342	24,050	23,547	19,812	4,446	2,897	-86%
Illinois	685,508	709,969	710,032	663,212	601,854	526,851	382,937	-44%
Indiana	209,882	218,061	197,225	147,083	121,974	95,665	109,675	-48%
Iowa	100,943	110,639	103,108	91,727	78,275	69,504	60,151	-40%
Kansas	87,525	87,433	81,504	70,758	57,528	38,462	32,873	-62%
Kentucky	227,879	208,710	193,722	176,601	162,730	132,388	99,560	-56%
Louisiana	263,338	252,860	258,180	239,247	206,582	118,404	111,074	-58%
Maine	67,836	65,006	60,973	56,319	51,178	41,265	34,108	-50%
Maryland	221,338	219,863	227,887	207,800	169,723	130,196	89,003	-60%
Massachusetts	332,044	311,732	286,175	242,572	214,014	181,729	151,592	-54%
Michigan	686,356	672,760	612,224	535,704	462,291	376,985	263,583	-62%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,064	140,128	-27%
Mississippi	174,093	161,724	146,319	133,029	109,097	66,030	38,426	-78%
Missouri	259,039	262,073	259,595	238,052	208,132	162,950	135,383	-48%
Montana	34,848	35,415	34,313	32,557	28,138	20,137	15,508	-55%
Nebraska	48,055	46,034	42,038	38,653	36,535	38,090	34,662	-28%
Nevada	34,943	37,908	41,846	40,491	28,973	29,262	20,283	-42%
New Hampshir	28,972	30,386	28,671	24,519	20,627	15,947	16,090	-44%
New Jersey	349,902	334,780	321,151	293,833	256,064	217,320	175,223	-50%
New Mexico	94,836	101,676	105,114	102,648	89,814	64,759	80,686	-15%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	941,714	828,302	-30%
North Carolina	331,633	334,451	317,836	282,086	253,286	192,172	138,570	-58%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,884	8,355	-55%

STATE	Jan-93	Jan-94	Jan-95	Jan-96	Jan-97	Jan-98	Mar-99	Percent (93-98)
Ohio	720,476	691,099	629,719	552,304	518,595	386,239	282,444	-61%
Oklahoma	146,454	133,152	127,336	110,498	87,312	69,630	56,640	-61%
Oregon	117,656	116,390	107,610	92,182	66,919	48,561	45,450	-61%
Pennsylvania	604,701	615,581	611,215	553,148	484,321	395,107	312,364	-48%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	130,283	107,447	-44%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,537	53,859	-12%
South Carolina	151,026	143,883	133,567	121,703	98,077	73,179	42,504	-72%
South Dakota	20,254	19,413	17,652	16,821	14,091	10,514	8,445	-58%
Tennessee	320,709	302,608	281,982	265,320	195,891	139,022	152,695	-52%
Texas	785,271	796,348	765,460	714,523	626,617	439,824	313,823	-60%
Utah	53,172	50,657	47,472	41,145	35,493	29,868	26,428	-50%
Vermont	28,961	28,095	27,716	25,865	23,570	21,013	18,230	-37%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,129	3,533	-6%
Virginia	194,212	194,959	189,493	166,012	136,053	107,192	88,910	-54%
Washington	286,258	292,608	290,940	276,018	263,792	228,723	174,099	-39%
West Virginia	119,916	115,376	107,668	98,439	98,690	51,348	44,367	-63%
Wisconsin	241,098	230,621	214,404	184,209	132,383	44,630	28,863	-88%
Wyoming	18,271	16,740	15,434	13,531	10,322	2,903	1,770	-90%
U.S. Total	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	9,131,716	7,334,976	-48%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-99

CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

Total TANF families and recipients

(in thousands)

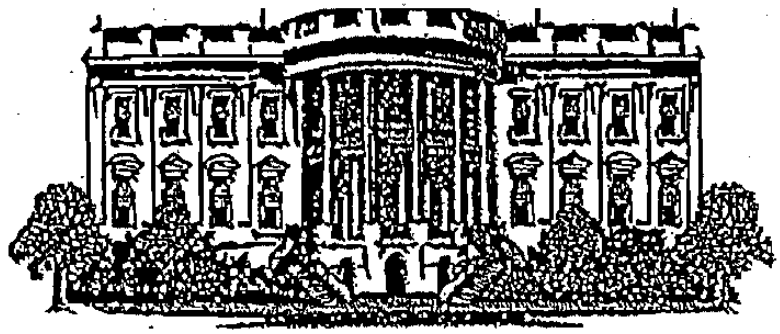
	Aug-96	Mar-99	Percent (96-98)
Families	4,415	2,668	-40%
		1,747,000 fewer families	
Recipients	12,241	7,335	-40%
		4,906,000 fewer recipients	

Total TANF recipients by State

STATE	Aug-96	Mar-99	Percent (96-98)
Alabama	100,662	46,934	-53%
Alaska	35,544	28,020	-21%
Arizona	169,442	92,467	-45%
Alabama	56,343	29,340	-48%
California	2,581,948	1,818,197	-30%
Colorado	95,788	39,346	-59%
Connecticut	159,246	90,799	-43%
Delaware	23,654	16,581	-30%
Dist. of Col.	69,292	52,140	-25%
Florida	533,801	198,101	-63%
Georgia	330,302	137,976	-58%
Guam	8,314	8,620	4%
Hawaii	66,482	45,515	-32%
Idaho	21,780	2,897	-87%
Illinois	642,644	382,937	-40%
Indiana	142,604	109,675	-23%
Iowa	86,146	60,151	-30%
Kansas	63,783	32,873	-48%
Kentucky	172,193	99,560	-42%
Louisiana	228,115	111,074	-51%
Maine	53,873	34,108	-37%
Maryland	194,127	89,003	-54%
Massachusetts	226,030	151,592	-33%
Michigan	502,354	263,583	-48%
Minnesota	169,744	140,128	-17%
Mississippi	123,828	38,426	-69%
Missouri	222,820	135,383	-39%
Montana	29,130	15,508	-47%
Nebraska	38,592	34,662	-10%
Nevada	34,261	20,283	-41%
New Hampshire	22,937	16,090	-30%
New Jersey	275,637	175,223	-36%
New Mexico	99,661	80,686	-19%
New York	1,143,962	828,302	-28%
North Carolina	267,326	138,570	-48%
North Dakota	13,146	8,355	-36%

STATE	Aug-96	Mar-99	Percent (96-98)
Ohio	549,312	282,444	-49%
Oklahoma	96,201	56,640	-41%
Oregon	78,419	45,450	-42%
Pennsylvania	531,059	312,364	-41%
Puerto Rico	151,023	107,447	-29%
Rhode Island	56,560	53,859	-5%
South Carolina	114,273	42,504	-63%
South Dakota	15,896	8,445	-47%
Tennessee	254,818	152,695	-40%
Texas	649,018	313,823	-52%
Utah	39,073	26,428	-32%
Vermont	24,331	18,230	-25%
Virgin Islands	4,898	3,533	-28%
Virginia	152,845	88,910	-42%
Washington	268,927	174,099	-35%
West Virginia	89,039	44,367	-50%
Wisconsin	148,888	28,863	-81%
Wyoming	11,398	1,770	-84%
U.S. Total	12,241,489	7,334,976	-40%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
Aug-99



CC: Cynthia
WR
Caseloads

THE WHITE HOUSE

Domestic Policy Council

DATE: 1/12

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NUMBER OF PAGES (INCLUDING COVER): 6

COMMENTS: Latest welfare caseload #s from HHS, (1st set since 8/96, 2nd set since 1/93, 3rd page is last 3 months since the 6/98 #s were released in late August) and a month-by-month analysis.

CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

Total TANF families and recipients

(in thousands)

	Aug 96	Sep 98	Percent (96-98)
Families	4,415	2,904	-34%
	1,511,000 fewer families		
Recipients	12,241	7,986	-35%
	4,255,000 fewer recipients		

Total TANF recipients by State

STATE	Aug 96	Sep 98	Percent (96-98)
Alabama	100,662	52,076	-48%
Alaska	35,544	28,121	-21%
Arizona	169,442	99,792	-41%
Arkansas	56,343	33,033	-41%
California	2,581,948	1,908,534	-26%
Colorado	95,788	46,312	-52%
Connecticut	159,246	118,066	-26%
Delaware	23,654	14,013	-41%
Dist. of Col.	69,292	53,727	-22%
Florida	533,801	246,191	-54%
Georgia	330,302	172,065	-48%
Guam	8,314	6,823	-18%
Hawaii	66,482	75,679	+14%
Idaho	21,780	3,285	-85%
Illinois	642,644	449,466	-30%
Indiana	142,604	116,962	-18%
Iowa	86,146	62,836	-27%
Kansas	63,783	33,447	-48%
Kentucky	172,193	112,676	-35%
Louisiana	228,115	121,772	-47%
Maine	53,873	37,673	-30%
Maryland	194,127	108,636	-44%
Massachusetts	226,030	166,179	-26%
Michigan	502,354	308,817	-39%
Minnesota	169,744	141,440	-17%
Mississippi	123,828	45,009	-64%
Missouri	222,820	139,475	-37%
Montana	29,130	19,561	-33%
Nebraska	38,592	36,187	-6%
Nevada	34,261	23,353	-32%
New Hampshire	22,937	14,429	-37%
New Jersey	275,637	182,193	-34%
New Mexico	99,661	78,176	-22%
New York	1,143,962	862,162	-25%
North Carolina	267,326	162,282	-39%
North Dakota	13,146	8,227	-37%
Ohio	549,312	319,912	-42%
Oklahoma	96,201	58,044	-40%
Oregon	78,419	44,235	-44%

STATE	Aug 96	Sep 98	Percent (96-98)
Pennsylvania	531,059	345,952	-35%
Puerto Rico	151,023	117,649	-22%
Rhode Island	56,560	54,125	-4%
South Carolina	114,273	52,280	-54%
South Dakota	15,896	9,120	-43%
Tennessee	254,818	148,532	-42%
Texas	649,018	346,232	-47%
Utah	39,073	27,992	-28%
Vermont	24,331	18,804	-23%
Virgin Islands	4,898	4,365	-11%
Virginia	152,845	94,431	-38%
Washington	268,927	184,584	-31%
West Virginia	89,039	34,995	-61%
Wisconsin	148,888	34,031	-77%
Wyoming	11,398	1,821	-84%
U.S. TOTAL	12,241,489	7,985,779	-35%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
November 1998

CHANGE IN AFDC/TANF CASELOADS

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	2,904	-41%
			2,059,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	7,986	-43%
			6,129,000 fewer recipients				

Total AFDC/TANF recipients by State

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Alabama	141,746	135,096	121,837	108,269	91,723	52,076	-63%
Alaska	34,951	37,505	37,264	35,432	36,189	28,121	-20%
Arizona	194,119	202,350	195,082	171,617	151,526	99,792	-49%
Arkansas	73,982	70,563	65,325	59,223	54,879	33,033	-55%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	1,908,534	-21%
Colorado	123,308	118,081	110,742	99,739	87,434	46,312	-62%
Connecticut	160,102	164,265	170,719	161,736	155,701	118,066	-26%
Delaware	27,652	29,286	26,314	23,153	23,141	14,013	-49%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	53,727	-18%
Florida	701,842	689,135	657,313	575,553	478,329	246,191	-65%
Georgia	402,228	396,736	388,913	367,656	306,625	172,065	-57%
Guam	5,087	6,651	7,630	7,634	7,370	6,823	+34%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,679	+39%
Idaho	21,116	23,342	24,050	23,547	19,812	3,285	-84%
Illinois	685,508	709,969	710,032	663,212	601,854	449,466	-34%
Indiana	209,882	218,061	197,225	147,083	121,974	116,962	-44%
Iowa	100,943	110,639	103,108	91,727	78,275	62,836	-38%
Kansas	87,525	87,433	81,504	70,758	57,528	33,447	-62%
Kentucky	227,879	208,710	193,722	176,601	162,730	112,676	-51%
Louisiana	263,338	252,860	258,180	239,247	206,582	121,772	-54%
Maine	67,836	65,006	60,973	56,319	51,178	37,673	-44%
Maryland	221,338	219,863	227,887	207,800	169,723	108,636	-51%
Massachusetts	332,044	311,732	286,175	242,572	214,014	166,179	-50%
Michigan	686,356	672,760	612,224	535,704	462,291	308,817	-55%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,440	-26%
Mississippi	174,093	161,724	146,319	133,029	109,097	45,009	-74%
Missouri	259,039	262,073	259,595	238,052	208,132	139,475	-46%
Montana	34,848	35,415	34,313	32,557	28,138	19,561	-44%
Nebraska	48,055	46,034	42,038	38,653	36,535	36,187	-25%
Nevada	34,943	37,908	41,846	40,491	28,973	23,353	-33%
New Hampshire	28,972	30,386	28,671	24,519	20,627	14,429	-50%
New Jersey	349,902	334,780	321,151	293,833	256,064	182,193	-48%
New Mexico	94,836	101,676	105,114	102,648	89,814	78,176	-18%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	862,162	-27%
North Carolina	331,633	334,451	317,836	282,086	253,286	162,282	-51%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,227	-56%
Ohio	720,476	691,099	629,719	552,304	518,595	319,912	-56%
Oklahoma	146,454	133,152	127,336	110,498	87,312	58,044	-60%
Oregon	117,656	116,390	107,610	92,182	66,919	44,235	-62%

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Pennsylvania	604,701	615,581	611,215	553,148	484,321	345,952	-43%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	117,649	-38%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,125	-11%
South Carolina	151,026	143,883	133,567	121,703	98,077	52,280	-65%
South Dakota	20,254	19,413	17,652	16,821	14,091	9,120	-55%
Tennessee	320,709	302,608	281,982	265,320	195,891	148,532	-54%
Texas	785,271	796,348	765,460	714,523	626,617	346,232	-56%
Utah	53,172	50,657	47,472	41,145	35,493	27,992	-47%
Vermont	28,961	28,095	27,716	25,865	23,570	18,804	-35%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,365	+16%
Virginia	194,212	194,959	189,493	166,012	136,053	94,431	-51%
Washington	286,258	292,608	290,940	276,018	263,792	184,584	-36%
West Virginia	119,916	115,376	107,668	98,439	98,690	34,995	-71%
Wisconsin	241,098	230,621	214,404	184,209	132,383	34,031	-86%
Wyoming	18,271	16,740	15,434	13,531	10,322	1,821	-90%
U.S. TOTAL	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	7,985,779	-43%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
November 1998

TANF:

July-September

	FAMILIES			RECIPIENTS		
	July	August	September	July	August	September
Alabama	22,241	22,177	21,786	53,480	53,092	52,076
Alaska	9,654	9,487	9,312	29,217	28,634	28,121
Arizona	37,121	37,280	37,082	100,713	100,999	99,792
Arkansas	13,059	13,243	13,214	32,594	33,157	33,033
California	675,560	669,237	656,608	1,978,416	1,952,174	1,908,534
Colorado	18,511	17,962	17,121	50,458	49,006	46,312
Connecticut	43,489	42,886	41,274	124,536	122,129	118,066
Delaware	7,302	7,146	6,686	15,791	15,027	14,013
Dist. of Col.	20,083	19,959	19,822	54,855	54,386	53,727
Florida	96,501	96,444	96,241	248,013	247,803	246,191
Georgia	71,324	71,185	69,499	184,912	175,791	172,065
Guam	1,983	2,060	1,981	6,719	6,969	6,823
Hawaii	23,528	23,739	23,571	75,783	76,377	75,679
Idaho	1,674	1,591	1,531	3,662	3,504	3,285
Illinois	154,272	154,925	152,165	454,146	460,726	449,466
Indiana	38,201	38,399	38,598	116,129	116,545	116,962
Iowa	23,944	23,871	23,167	65,163	65,216	62,836
Kansas	13,094	13,226	13,091	33,617	34,064	33,447
Kentucky	49,408	48,447	47,418	118,366	115,800	112,676
Louisiana	47,838	46,968	46,760	124,658	122,562	121,772
Maine	14,599	14,481	14,242	38,703	38,374	37,673
Maryland	43,920	43,018	42,134	114,388	111,572	108,636
Massachusetts	62,763	62,227	62,436	166,077	165,587	166,179
Michigan	114,046	110,543	108,286	325,917	315,924	308,817
Minnesota	47,582	47,979	47,037	143,833	145,133	141,440
Mississippi	19,719	19,657	18,772	48,138	47,747	45,009
Missouri	55,892	55,409	55,074	142,314	141,273	139,475
Montana	7,067	6,902	6,724	20,669	20,118	19,561
Nebraska	12,802	12,152	12,147	36,037	35,877	36,187
Nevada	9,529	9,526	9,122	24,755	24,695	23,353
New Hampshire	6,056	5,945	5,986	14,726	14,450	14,429
New Jersey	71,165	69,999	68,669	189,435	186,056	182,193
New Mexico	24,050	24,661	24,833	75,265	77,523	78,176
New York	324,075	319,747	316,035	885,041	872,130	862,162
North Carolina	73,090	71,297	69,956	170,900	166,129	162,282
North Dakota	3,176	3,145	3,060	8,551	8,502	8,227
Ohio	127,792	124,950	123,902	331,678	323,272	319,912
Oklahoma	22,039	22,012	21,644	58,949	59,045	58,044
Oregon	18,214	17,861	17,721	45,516	44,560	44,235
Pennsylvania	127,694	126,610	124,661	355,797	352,258	345,952
Puerto Rico	40,377	39,931	39,378	120,685	119,157	117,649
Rhode Island	19,260	19,216	19,213	54,187	54,203	54,125
South Carolina	22,220	21,603	20,847	56,801	54,699	52,280
South Dakota	3,742	3,607	3,496	9,801	9,448	9,120
Tennessee	56,690	57,231	57,131	146,801	148,529	148,532
Texas	128,563	127,793	126,607	354,656	349,560	346,232
Utah	10,369	10,362	10,465	28,011	28,026	27,992
Vermont	7,176	7,037	6,903	19,665	19,219	18,804
Virgin Islands	1,237	1,271	1,249	4,352	4,396	4,365
Virginia	40,126	39,745	39,239	96,661	95,639	94,431
Washington	71,357	70,507	66,821	197,207	194,946	184,584
West Virginia	12,130	12,703	12,300	35,830	37,788	34,995
Wisconsin	10,870	10,681	10,247	36,126	35,502	34,031
Wyoming	955	891	854	2,095	1,932	1,821
U.S. Totals	*2,980,129*	*2,950,721*	*2,904,104*	*8,230,775*	*8,137,230*	*7,985,779*
	1%	1.6%		1%	1.9%	

Prepared by

Welfare Caseload Analysis
12/17/98

	# of recipients (in millions)	# change from prior mo	% change from prior mo	# change from prior yr	% change from prior yr
Jan 96	12.877				
Aug 96	12.202				
Oct 96	11.895				
Jan 97	11.36			-1.517	-11.8%
Feb 97	11.262	-0.098	-0.9%		
Mar 97	11.156	-0.106	-0.9%		
April 97	10.969	-0.187	-1.7%		
May 97	10.748	-0.221	-2.0%		
June 97	10.494	-0.254	-2.4%		
July 97	10.258	-0.236	-2.2%		
Aug 97	9.995	-0.263	-2.6%	-2.207	-18.1%
Sep 97	9.804	-0.191	-1.9%		
Oct 97	9.668	-0.136	-1.4%	-2.227	-18.7%
Nov 97	9.447	-0.221	-2.3%		
Dec 97	9.345	-0.102	-1.1%		
Jan 98	9.132	-0.213	-2.3%	-2.228	-19.6%
Feb 98	9.026	-0.106	-1.2%	-2.236	-19.9%
Mar 98	8.91	-0.116	-1.3%	-2.246	-20.1%
April 98	8.758	-0.152	-1.7%	-2.211	-20.2%
May 98	8.572	-0.186	-2.1%	-2.176	-20.2%
June 98	8.38	-0.192	-2.2%	-2.114	-20.1%
July 98	8.231	-0.149	-1.8%	-2.027	-19.8%
Aug 98	8.137	-0.094	-1.1%	-1.858	-18.6%
Sep 98	7.986	-0.151	-1.9%	-1.818	-18.5%

Numbers announced in 1998 SOU were from Sept 97

1998 avg 8.570
(Jan - Sept)

WR - Caseloads

PRESIDENT CLINTON WILL ANNOUNCE RECORD CASELOAD DECLINE AND LANDMARK WELFARE REFORM RULES TO PROMOTE WORK

April 10, 1999

Today, President Clinton will announce that welfare caseloads have fallen by a record 6.5 million people since he took office, falling by half or more in 29 states and nearly half nationwide. The President will unveil landmark new welfare regulations which will promote work and help those who have left the rolls succeed in the workforce and stay off welfare. He will call on Congress to do more to help working families obtain child care, housing, and transportation and to assist welfare recipients with the greatest challenges to employment by reauthorizing the Department of Labor's Welfare-to-Work program.

Welfare Rolls Decline As More Recipients Go to Work

President Clinton will announce that welfare caseloads are at their lowest level since 1969 and that welfare rolls have fallen by nearly half since he took office. The number of recipients fell from 14.1 million in January 1993 to 7.6 million in December 1998 -- 342,000 fewer recipients than 3 months earlier and more than 6.5 million since he took office, a drop of 46 percent. The rolls have declined by 4.6 million people, or 38 percent, since he signed the welfare law in August 1996. Since 1993, welfare rolls have declined in all states, with 29 states recording declines of half or more. The President will also announce today that the federal government has hired nearly 12,000 welfare recipients, exceeding the 10,000 goal set two years ago this month. Today's announcements add to earlier statistics showing that companies in the Welfare to Work Partnership have hired over 410,000 welfare recipients, the percentage of welfare recipients working has tripled since 1992, an estimated 1.5 million people who were on welfare in 1997 were working in 1998, and all states met the first overall work participation rates required under the welfare reform law.

Final Welfare Regulations Promote Work and State Innovation

Six years after he began his efforts to end welfare as we know it, and two and a half years after signing into law historic welfare reform legislation, today the President will announce landmark regulations enforcing the law's strict work requirements. First, these rules will hold states accountable for measurable results in moving families into work while providing flexibility for states to create innovative programs that build on the successes of welfare reform. Second, to ensure the millions of people who have left the welfare rolls succeed in the workforce -- and to keep others from going on welfare in the first place -- these final welfare regulations will make it easier for states to use TANF funds to provide supports for working families such as child care, transportation, and job retention services. These regulations mark an important milestone in the transformation of our welfare system into one that honors our values of work, responsibility, and family.

Call on Congress to Do More to Help Working Families and Help Those Still on Rolls

The President will call upon Congress to do more to ensure those still on the welfare rolls go to work by urging Congress to reauthorize the Department of Labor's Welfare-to-Work program to increase the employment of long-term recipients in high poverty areas and help low-income fathers better support their children, and to fully fund his welfare to work transportation and housing vouchers proposals. The President will also call on Congress to take bipartisan action this year to address the critical child care needs of America's working families. According to the most recent figures, ten million families are eligible for federal subsidies, yet only 1.25 million received support in 1997. In March, the Senate voted by a bipartisan majority of 57 - 40 to set aside $12 billion over 10 years for child care in its budget resolution.

Welfare-to-Work
Commitments and Hires through March 22, 1999
as Reported by the U.S. Office of Personnel Management

Agency	Total Commitment Thru 2000	Hires Reported Thru March 22	% of Total Year 2000 Commitment Hired since 3/8/97
Commodity Futures Trading Commission	--	3	--
Department of Agriculture	375	398	106%
Department of Commerce	4180	4188	100%
Department of Defense	1600	2107	132%
Department of Education	21	26	124%
Department of Energy	55	70	127%
Department of Health & Human Services	300	319	106%
Department of Housing & Urban Development	200	134	67%
Department of the Interior	325	216	66%
Department of Justice	450	254	56%
Department of Labor	120	153	128%
Department of State	220	56	25%
Department of Transportation	400	253	63%
Department of the Treasury	405	1514	374%
Department of Veterans Affairs	800	1358	170%
Environmental Protection Agency	120	82	68%
Equal Employment Opportunity Commission	--	9	--
Executive Office of the President	6	8	133%
Federal Emergency Management Agency	125	60	48%
General Services Administration	121	95	79%
National Aeronautics & Space Administration	40	24	60%
National Archives & Records Administration	--	30	--
National Credit Union Administration	--	5	--
National Endowment for the Humanities	--	1	--
National Labor Relations Board	--	1	--
Office of Government Ethics	--	1	--
Office of Personnel Management	25	57	228%
Railroad Retirement Board	--	1	--
Securities & Exchange Commission	10	12	120%
Small Business Administration	120	61	51%
Social Security Administration	600	434	72%
U.S. Information Agency	20	27	135%
U.S. Nuclear Regulatory Commission	--	1	--
TOTAL	**10638**	**11958**	**112%**

CHANGE IN AFDC/TANF CASELOADS

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jan 98	Dec 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	3,305	2,783	-44%
			2,180,000 fewer families					
Recipients	14,115	14,276	13,931	12,877	11,423	9,132	7,613	-46%
			6,502,000 fewer recipients					

Total AFDC/TANF recipients by State

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jan 98	Dec 98	Percent (93-98)
Alabama	141,746	135,096	121,837	108,269	91,723	61,809	49,461	-65%
Alaska	34,951	37,505	37,264	35,432	36,189	31,689	25,472	-27%
Arizona	194,119	202,350	195,082	171,617	151,526	113,209	96,298	-50%
Arkansas	73,982	70,563	65,325	59,223	54,879	36,704	30,606	-59%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	2,144,495	1,850,898	-23%
Colorado	123,308	118,081	110,742	99,739	87,434	55,352	41,674	-64%
Connecticut	160,102	164,265	170,719	161,736	155,701	138,666	97,600	-39%
Delaware	27,652	29,286	26,314	23,153	23,141	18,504	12,316	-55%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	56,128	53,455	-19%
Florida	701,842	689,135	657,313	575,553	478,329	320,886	227,156	-68%
Georgia	402,228	396,736	388,913	367,656	306,625	220,070	154,900	-61%
Guam	5,087	6,651	7,630	7,634	7,370	7,461	8,083	+59%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,817	45,452	-17%
Idaho	21,116	23,342	24,050	23,547	19,812	4,446	3,128	-85%
Illinois	685,508	709,969	710,032	663,212	601,854	526,851	414,872	-40%
Indiana	209,882	218,061	197,225	147,083	121,974	95,665	113,680	-46%
Iowa	100,943	110,639	103,108	91,727	78,275	69,504	59,945	-41%
Kansas	87,525	87,433	81,504	70,758	57,528	38,462	32,436	-63%
Kentucky	227,879	208,710	193,722	176,601	162,730	132,388	104,683	-54%
Louisiana	263,338	252,860	258,180	239,247	206,582	118,404	128,016	-51%
Maine	67,836	65,006	60,973	56,319	51,178	41,265	36,870	-46%
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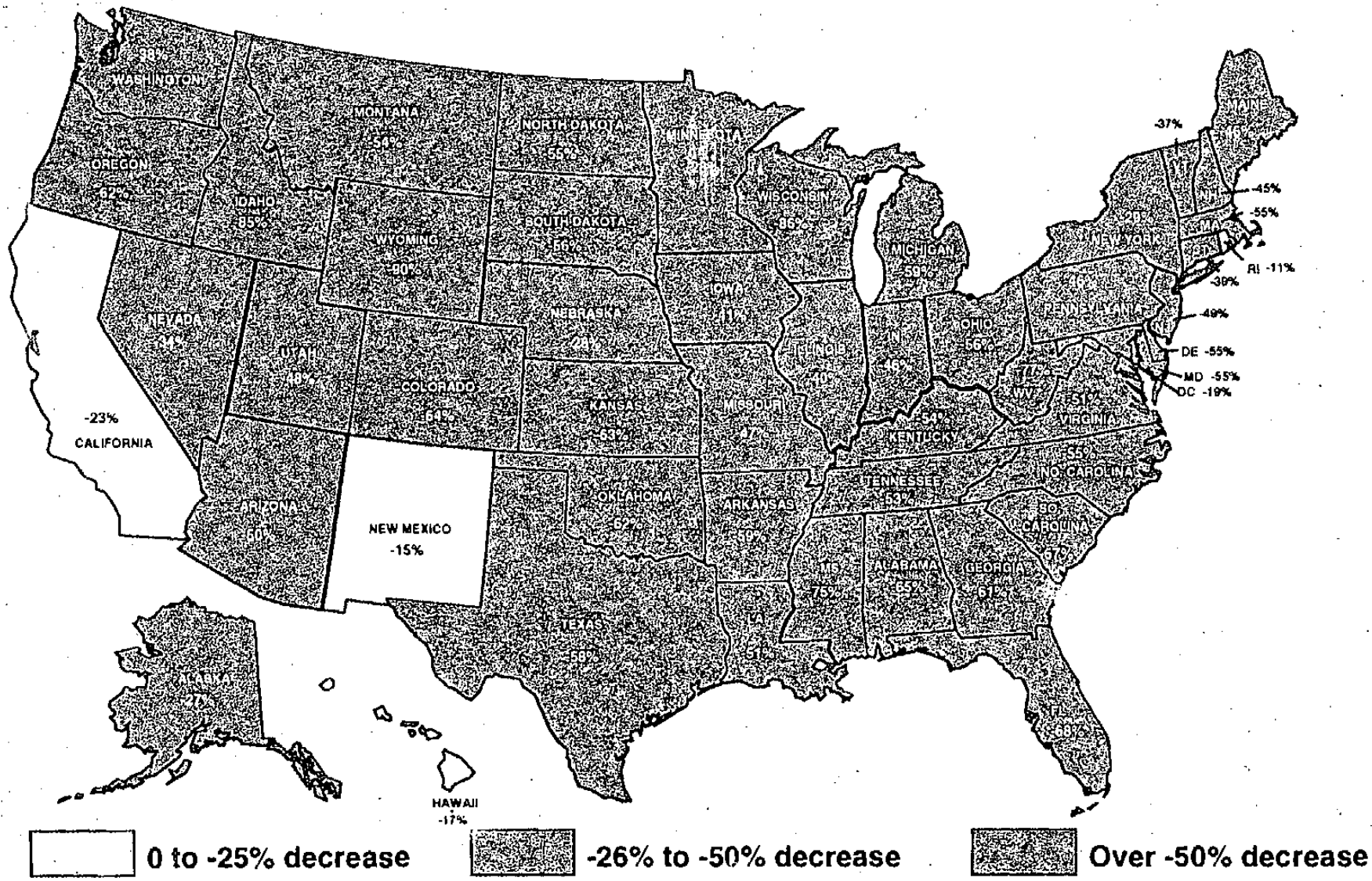
Michigan	686,356	672,760	612,224	535,704	462,291	376,985	279,245	-59%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,064	138,030	-28%
Mississippi	174,093	161,724	146,319	133,029	109,097	66,030	43,499	-75%
Missouri	259,039	262,073	259,595	238,052	208,132	162,950	137,954	-47%
Montana	34,848	35,415	34,313	32,557	28,138	20,137	16,133	-54%
Nebraska							34,809	-28%

MORE THAN 6.5 MILLION FEWER PEOPLE ON WELFARE SINCE 1993

29 STATES CUT CASELOAD BY HALF OR MORE



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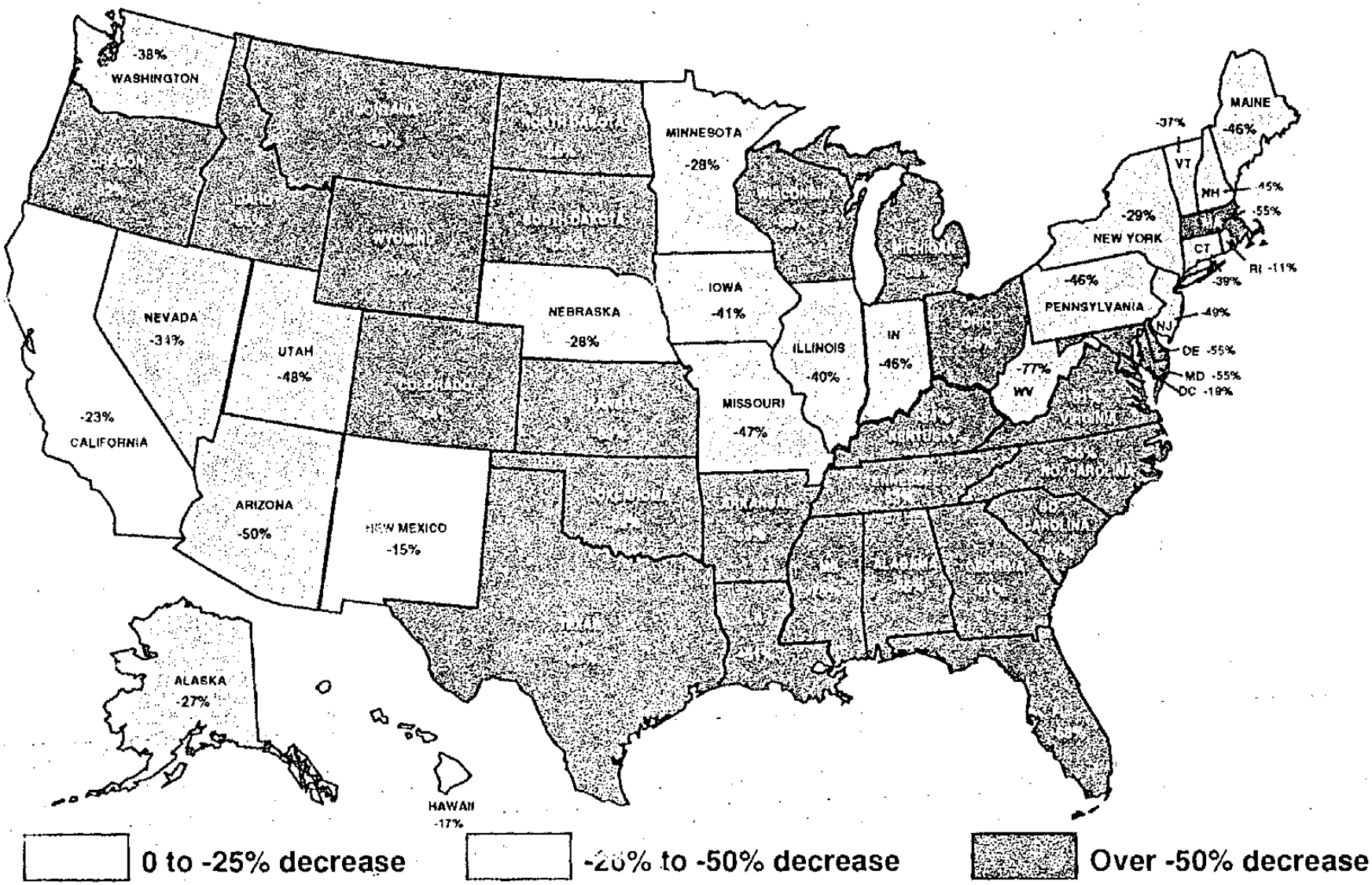


Welfare Reform Q&As
April 10, 1999

Q: What did the President announce today in his radio address?

A: The President announced that welfare caseloads have fallen by a record 6.5 million people since he took office, falling by half or more in 29 states and nearly half nationwide. The President unveiled a landmark new welfare regulation which will help turn welfare checks into paychecks, holding states accountable for moving welfare recipients to work and making it easier for states to provide services to keep people in the workforce and off the welfare rolls. The President announced that the federal government has hired nearly 12,000 individuals from the welfare rolls, surpassing the goals set two years ago. And finally, the President challenged the Congress to enact his proposals to provide child care, housing and transportation for working families and help welfare recipients with the greatest challenges get jobs by extending the Department of Labor's Welfare-to-Work program.

Welfare Regulation

Q: Why is this new regulation significant?

A: This regulation marks an important milestone in the transformation of our welfare system into one that honors our values of work and responsibility. The new regulation holds states accountable for strict requirements to move people from the welfare rolls to the workplace. At the same time, the new regulation makes it easier for states to use their welfare block grant to pay for child care, transportation, and job retention services to help people who have left welfare stay off the rolls -- or to help families so they don't have to go on welfare in the first place. This regulation says loud and clear: people ought to get paychecks, not welfare checks.

Q: How exactly does the regulation encourage states to assist working families?

A: The regulation makes changes in the definition of assistance to encourage states to use TANF funds to provide supports for working families such as child care, transportation, and job retention services. Under the revised definition, these supports for working families will not count as assistance and will not be subject to TANF work, time limit, data reporting and certain other program requirements. This change will make it easier for states to use TANF funds to support working families. The regulation also excludes from the definition of assistance emergency payments for rent or other immediate needs, to ensure families don't have to go on welfare to get short-term help. The regulation would, of course, consider payments for ongoing, basic needs, such as cash assistance, as

assistance subject to time limits and work requirements.

Q: The President said today that the new regulation will make it easier for states to divert people from the welfare rolls, by providing them emergency payments or other services to keep them from going on welfare. Isn't the Administration concerned that such diversion programs will result in fewer individuals obtaining the Food Stamps and Medicaid to which they are entitled?

A: During the consideration of welfare reform, the President insisted on maintaining the federal Food Stamp and Medicaid guarantees and the Administration continues to work to ensure that people moving from welfare to work as well as all other low-income families get the nutritional and medical assistance they need. We believe Food Stamps and Medicaid are valuable supports for working families. Both USDA and HHS are taking aggressive steps to ensure that states and communities do not undermine the Food Stamp and Medicaid entitlement in making implementation decisions on welfare. "De-linking" of Medicaid and Food Stamps from cash assistance can create opportunities -- when families learn that they can receive Medicaid and Food Stamps coverage without having to receive welfare, they may be less likely to turn to welfare in the first place.

Q: Some states say the data reporting requirements are still too burdensome. How do you respond?

A: Data reporting is crucial for the Congress, the Administration and the public to know what is happening to families on welfare and to hold states accountable for helping parents move from welfare to work. HHS reviewed and refined the number of data reporting elements to a reasonable number that provide sufficient information to learn how families are faring and ensure accountability of states.

<u>President's Budget Proposals</u>

Q. What did the President refer to about Senate action on child care?

A. The President lauded the Senate for coming together on a bipartisan basis to approve an amendment to the Senate budget resolution that would boost funding for child care subsidies for low-income working families. The amendment, which calls for an increase in the Child Care Block Grant of $5 billion over five years and $12.5 billion over 10 years, would be off-set by a proportionate decrease in any tax cut. These new funds could provide child care assistance to roughly 850,000 more children over five years. The President believes that greater investment in child care subsidies is critically important -- according to the most recent figures, ten million children are eligible for federal subsidies, yet only 1.25 million received support in 1997.

The President's budget includes significant new funding for child care; central to his child care initiative is an expansion of the Child Care Block Grant by $7.5 billion over five years. The President's child care initiative also includes: (1) $5.0 billion over five years in greater child care tax relief, (2) $3 billion over five years in child care quality improvements, (3) a new tax credit for businesses that provide child care services for their workers, and (4) new tax relief for parents who chose to stay at home with their young children. The President hopes that this is the year that Congress addresses the pressing child care needs of America's working families.

Q: Why is the President proposing more child care and Welfare-to-Work (WtW) money if there's $3 billion in unspent TANF funds?

A: First, not all states have unspent TANF funds -- 19 states have obligated all of their FY 1998 TANF dollars, including large states such as California, Illinois, Ohio and Texas and small states such as Connecticut and Delaware. Many states that have TANF reserves are prudently saving funds for a rainy day. Second, an even more intensive commitment of welfare to work resources will be necessary in the coming years as the work requirements increase and those left on the rolls face the most serious barriers to employment. Third, there is a great need for child care funds -- the Child Care and Development Block Grant serves only 1.25 million of the estimated 10 million children eligible for child care assistance under federal law and states have many more applicants than they can serve.

Q: What is the President's proposal to extend the Department of Labor's Welfare-to-Work (WtW) program?

A: The President's budget proposes to $1 billion to extend the WtW grant program through FY 2000, which will help about 200,000 more long-term welfare recipients and low income fathers get and keep jobs. WtW funds are targeted to those individuals and communities who need the most help -- they are focused on the hard-to-employ individuals (long-term welfare recipients with low basic skills, substance abuse or a poor work history) and are distributed based on concentrations of poverty, welfare dependency, and unemployment. These funds will not only help the hardest-to-employ get their first job, but will help them keep that job or advance into a better job. The funds will also ensure that both parents contribute to their children's support, by focusing a minimum of $150 million on increasing the employment of low-income fathers so they can pay more child support. Most WtW funds flow directly to local communities--through business-led workforce boards--and support innovative public-private partnerships in high poverty urban and rural areas.

Q: What are the President's welfare to work transportation and housing proposals?

A: The President's budget provides $430 million for 75,000 welfare-to-work housing vouchers, including $144 million in new funds for 25,000 additional vouchers, and doubles Access to Jobs transportation funding from $75 million to $150 million. The welfare to work housing vouchers will help families move closer to a job, reduce a long commute, or secure more stable housing that will help them get or keep a job. The Jobs Access grants will provide funds for communities to provide transportation so welfare recipients and other low income workers can get to work.

Federal Welfare Hiring

Q: What did the President announce about the hiring of welfare recipients in the federal government?

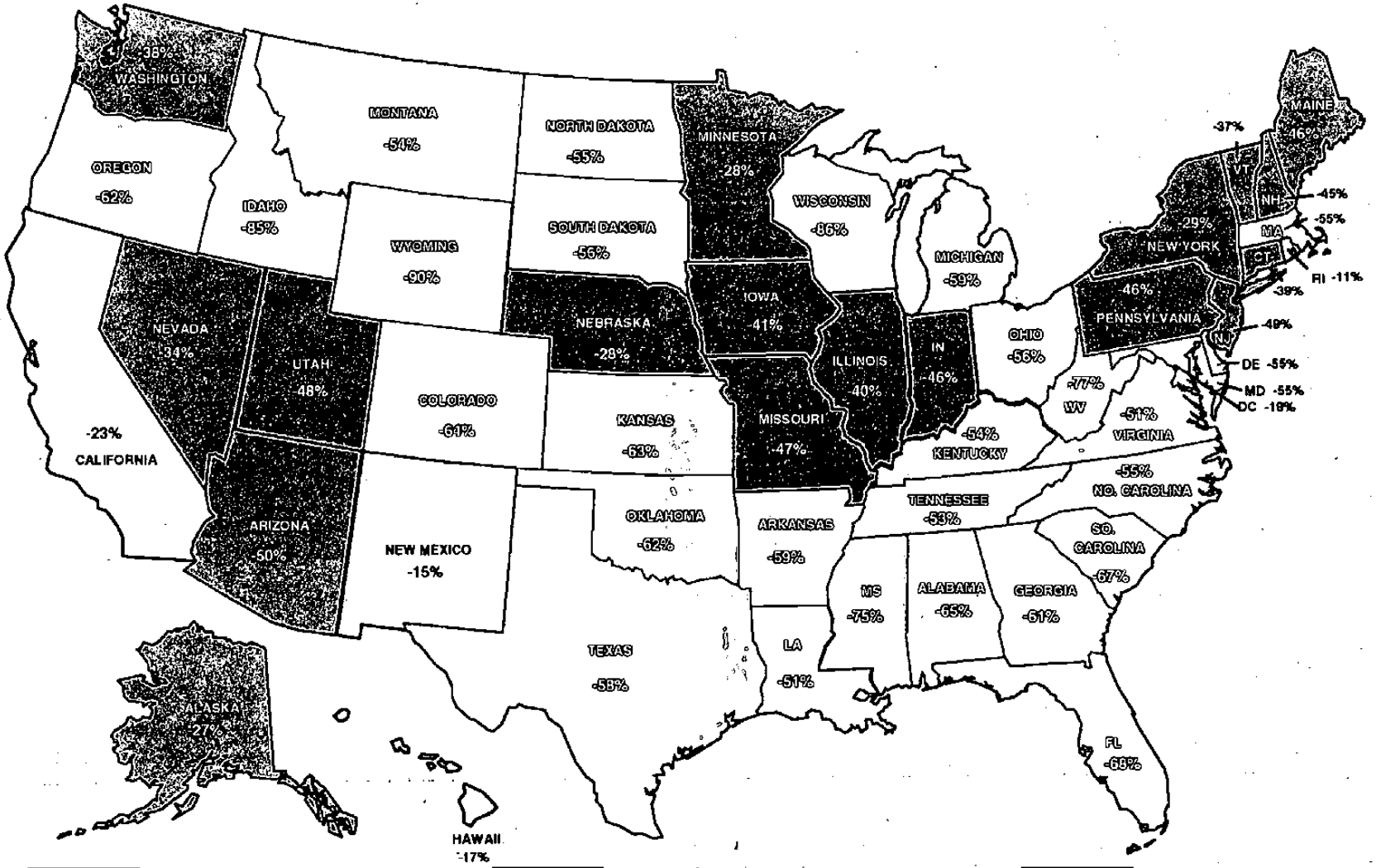
A: The President announced that the federal government has hired nearly 12,000 welfare recipients since launching its effort two years ago. The figures, compiled by the Office of Personnel Management, who the federal government has hired 11,958 welfare recipients since April 1997 when the federal hiring initiative was launched. This reaches our goal -- far ahead of schedule -- of over 10,000 hires by the year 2000. As a part of this effort, the White House pledged to hire six welfare recipients and has already hired eight. NOTE: a chart with agency-by-agency hiring numbers has been faxed to the press office.

Q: How was the goal of 10,000 hires set?

A: The Federal government is approximately 1.5 percent of the nation's workforce. To meet its portion of the President's challenge to move 2 million people off welfare by the year 2000 -- which amounts to moving about 700,000 adults into the workforce -- the Federal government ought to hire about 10,000 welfare recipients. Each Cabinet agency developed its own goal, the sum of which totaled 10,638.

MORE THAN 6.5 MILLION FEWER PEOPLE ON WELFARE SINCE 1993

29 STATES CUT CASELOAD BY HALF OR MORE



0 to -25% decrease

-26% to -50% decrease

Over -50% decrease

WR-Caseload

Welfare Caseload Analysis
01/25/99

	# of recipients (in millions)	# change from prior mo	% change from prior mo	# change from prior yr	% change from prior yr
Jan 96	12.877				
Aug 96	12.202				
Oct 96	11.895				
Jan 97	11.36			-1.517	-11.8%
Feb 97	11.262	-0.098	-0.9%		
Mar 97	11.156	-0.106	-0.9%		
April 97	10.969	-0.187	-1.7%		
May 97	10.748	-0.221	-2.0%		
June 97	10.494	-0.254	-2.4%		
July 97	10.258	-0.236	-2.2%		
Aug 97	9.995	-0.263	-2.6%	-2.207	-18.1%
Sep 97	9.804	-0.191	-1.9%		
Oct 97	9.668	-0.136	-1.4%	-2.227	-18.7%
Nov 97	9.447	-0.221	-2.3%		
Dec 97	9.345	-0.102	-1.1%		
Jan 98	9.132	-0.213	-2.3%	-2.228	-19.6%
Feb 98	9.026	-0.106	-1.2%	-2.236	-19.9%
Mar 98	8.91	-0.116	-1.3%	-2.246	-20.1%
April 98	8.758	-0.152	-1.7%	-2.211	-20.2%
May 98	8.572	-0.186	-2.1%	-2.176	-20.2%
June 98	8.38	-0.192	-2.2%	-2.114	-20.1%
July 98	8.231	-0.149	-1.8%	-2.027	-19.8%
Aug 98	8.137	-0.094	-1.1%	-1.858	-18.6%
Sep 98	7.955	-0.182	-2.2%	-1.849	-18.9%

Numbers announced in 1998 SOU were from Sept 97

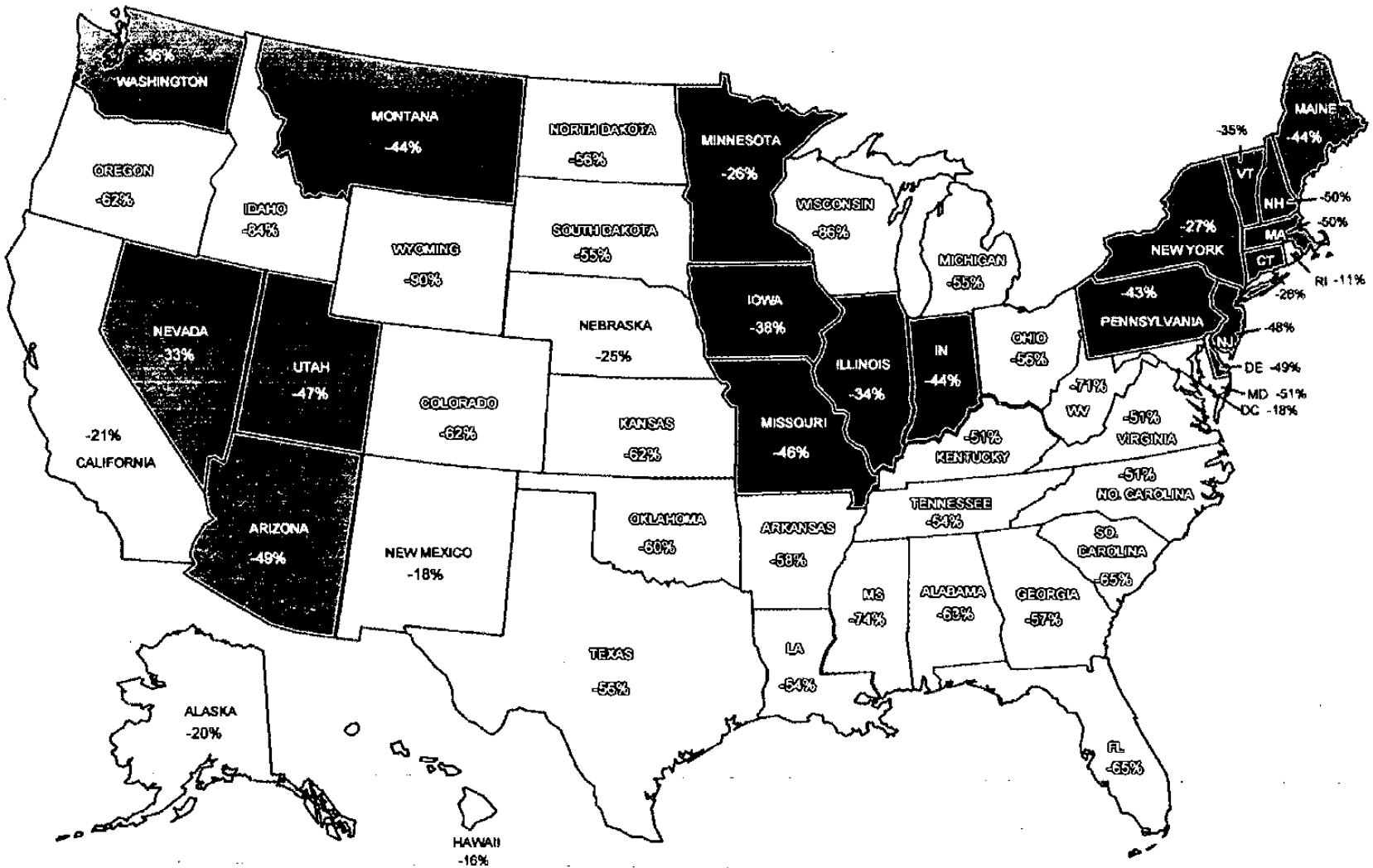
1998 avg 8.567
(Jan - Sept)

	Absolute Drop	% change
Change from Jan - Sept 97	-1.556	-14%
Change from Jan - Sept 98	-1.177	-13%
Difference	0.379	0.81%

Quarterly changes:

Oct - Dec 97	-0.323	-3.3%
Jan - Mar 98	-0.222	-2.4%
Apr - June 98	-0.378	-4.3%
July - Sept 98	-0.276	-3.4%

MORE THAN 6 MILLION FEWER PEOPLE ON WELFARE SINCE 1993

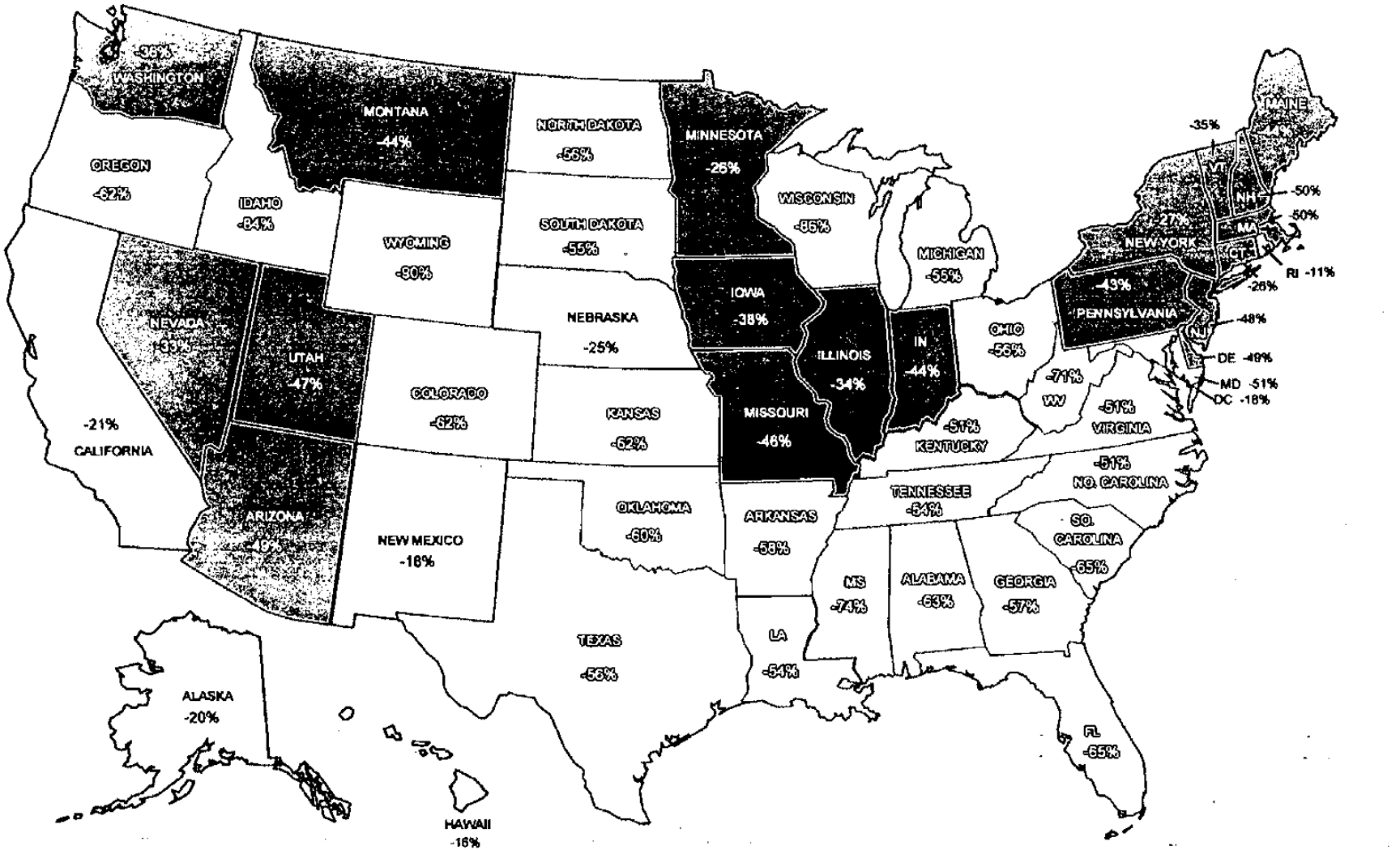


0 to -25% decrease

-26% to -50% decrease

Over 50% decrease

MORE THAN 6 MILLION FEWER PEOPLE ON WELFARE SINCE 1993



CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

Total TANF families and recipients

(in thousands)

	Aug 96	Sep 98	Percent (96-98)
Families	4,415	2,896	-34%
	1,519,000 fewer families		
Recipients	12,241	7,955	-35%
	4,286,000 fewer recipients		

Total TANF recipients by State

STATE	Aug 96	Sep 98	Percent (96-98)
Alabama	100,662	52,076	-48%
Alaska	35,544	28,121	-21%
Arizona	169,442	99,792	-41%
Arkansas	56,343	31,412	-44%
California	2,581,948	1,908,534	-26%
Colorado	95,788	46,312	-52%
Connecticut	159,246	118,066	-26%
Delaware	23,654	14,013	-41%
Dist. of Col.	69,292	53,727	-22%
Florida	533,801	246,191	-54%
Georgia	330,302	172,065	-48%
Guam	8,314	6,823	-18%
Hawaii	66,482	46,001	-31%
Idaho	21,780	3,285	-85%
Illinois	642,644	449,466	-30%
Indiana	142,604	117,437	-18%
Iowa	86,146	62,836	-27%
Kansas	63,783	33,447	-48%
Kentucky	172,193	112,676	-35%
Louisiana	228,115	121,772	-47%
Maine	53,873	37,673	-30%
Maryland	194,127	108,636	-44%
Massachusetts	226,030	166,179	-26%
Michigan	502,354	308,817	-38%
Minnesota	169,744	141,440	-17%
Mississippi	123,828	45,009	-64%
Missouri	222,820	139,475	-37%
Montana	29,130	19,561	-33%
Nebraska	38,592	36,187	-6%
Nevada	34,261	23,353	-32%
New Hampshire	22,937	14,429	-37%
New Jersey	275,637	182,193	-34%
New Mexico	99,661	78,176	-22%
New York	1,143,962	862,162	-25%
North Carolina	267,326	162,282	-39%
North Dakota	13,146	8,227	-37%
Ohio	549,312	319,912	-42%
Oklahoma	96,201	58,044	-40%
Oregon	78,419	44,235	-44%

STATE	Aug 96	Sep 98	Percent (96-98)
Pennsylvania	531,059	345,952	-35%
Puerto Rico	151,023	117,649	-22%
Rhode Island	56,560	54,125	-4%
South Carolina	114,273	52,280	-54%
South Dakota	15,896	9,120	-43%
Tennessee	254,818	148,532	-42%
Texas	649,018	346,232	-47%
Utah	39,073	27,992	-28%
Vermont	24,331	18,804	-23%
Virgin Islands	4,898	4,365	-11%
Virginia	152,845	94,431	-38%
Washington	268,927	184,584	-31%
West Virginia	89,039	34,995	-61%
Wisconsin	148,888	34,031	-77%
Wyoming	11,398	1,821	-84%
U.S. TOTAL	12,241,489	7,954,955	-35%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
January 1999

CHANGE IN AFDC/TANF CASELOADS

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	2,896	-42%
			2,067,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	7,955	-44%
			6,160,000 fewer recipients				

Total AFDC/TANF recipients by State

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Alabama	141,746	135,096	121,837	108,269	91,723	52,076	-63%
Alaska	34,951	37,505	37,264	35,432	36,189	28,121	-20%
Arizona	194,119	202,350	195,082	171,617	151,526	99,792	-49%
Arkansas	73,982	70,563	65,325	59,223	54,879	31,412	-58%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	1,908,534	-21%
Colorado	123,308	118,081	110,742	99,739	87,434	46,312	-62%
Connecticut	160,102	164,265	170,719	161,736	155,701	118,066	-26%
Delaware	27,652	29,286	26,314	23,153	23,141	14,013	-49%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	53,727	-18%
Florida	701,842	689,135	657,313	575,553	478,329	246,191	-65%
Georgia	402,228	396,736	388,913	367,656	306,625	172,065	-57%
Guam	5,087	6,651	7,630	7,634	7,370	6,823	+34%
Hawaii	54,511	60,975	65,207	66,690	65,312	46,001	-16%
Idaho	21,116	23,342	24,050	23,547	19,812	3,285	-84%
Illinois	685,508	709,969	710,032	663,212	601,854	449,466	-34%
Indiana	209,882	218,061	197,225	147,083	121,974	117,437	-44%
Iowa	100,943	110,639	103,108	91,727	78,275	62,836	-38%
Kansas	87,525	87,433	81,504	70,758	57,528	33,447	-62%
Kentucky	227,879	208,710	193,722	176,601	162,730	112,676	-51%
Louisiana	263,338	252,860	258,180	239,247	206,582	121,772	-54%
Maine	67,836	65,006	60,973	56,319	51,178	37,673	-44%
Maryland	221,338	219,863	227,887	207,800	169,723	108,636	-51%
Massachusetts	332,044	311,732	286,175	242,572	214,014	166,179	-50%
Michigan	686,356	672,760	612,224	535,704	462,291	308,817	-55%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,440	-26%
Mississippi	174,093	161,724	146,319	133,029	109,097	45,009	-74%
Missouri	259,039	262,073	259,595	238,052	208,132	139,475	-46%
Montana	34,848	35,415	34,313	32,557	28,138	19,561	-44%
Nebraska	48,055	46,034	42,038	38,653	36,535	36,187	-25%
Nevada	34,943	37,908	41,846	40,491	28,973	23,353	-33%
New Hampshire	28,972	30,386	28,671	24,519	20,627	14,429	-50%
New Jersey	349,902	334,780	321,151	293,833	256,064	182,193	-48%
New Mexico	94,836	101,676	105,114	102,648	89,814	78,176	-18%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	862,162	-27%
North Carolina	331,633	334,451	317,836	282,086	253,286	162,282	-51%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,227	-56%
Ohio	720,476	691,099	629,719	552,304	518,595	319,912	-56%
Oklahoma	146,454	133,152	127,336	110,498	87,312	58,044	-60%
Oregon	117,656	116,390	107,610	92,182	66,919	44,235	-62%

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Pennsylvania	604,701	615,581	611,215	553,148	484,321	345,952	-43%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	117,649	-38%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,125	-11%
South Carolina	151,026	143,883	133,567	121,703	98,077	52,280	-65%
South Dakota	20,254	19,413	17,652	16,821	14,091	9,120	-55%
Tennessee	320,709	302,608	281,982	265,320	195,891	148,532	-54%
Texas	785,271	796,348	765,460	714,523	626,617	346,232	-56%
Utah	53,172	50,657	47,472	41,145	35,493	27,992	-47%
Vermont	28,961	28,095	27,716	25,865	23,570	18,804	-35%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,365	+16%
Virginia	194,212	194,959	189,493	166,012	136,053	94,431	-51%
Washington	286,258	292,608	290,940	276,018	263,792	184,584	-36%
West Virginia	119,916	115,376	107,668	98,439	98,690	34,995	-71%
Wisconsin	241,098	230,621	214,404	184,209	132,383	34,031	-86%
Wyoming	18,271	16,740	15,434	13,531	10,322	1,821	-90%
U.S. TOTAL	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	7,954,955	-44%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
January 1999

CHANGE IN AFDC/TANF CASELOADS

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	2,896	-42%
			2,067,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	7,955	-44%
			6,160,000 fewer recipients				

Total AFDC/TANF families by State

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Alabama	51,910	51,181	47,376	43,396	37,972	21,786	-58%
Alaska	11,626	12,578	12,518	11,979	12,224	9,312	-20%
Arizona	68,982	72,160	71,110	64,442	56,250	37,082	-47%
Arkansas	26,897	26,398	24,930	23,140	21,549	12,699	-53%
California	844,494	902,900	925,585	904,940	839,860	656,608	-22%
Colorado	42,445	41,616	39,115	35,661	31,288	17,121	-60%
Connecticut	56,759	58,453	60,927	58,124	56,095	41,274	-27%
Delaware	11,315	11,739	11,306	10,266	10,104	6,711	-41%
Dist of Col	24,628	26,624	26,624	25,717	24,752	19,822	-20%
Florida	256,145	254,032	241,193	215,512	182,075	96,241	-62%
Georgia	142,040	142,459	141,284	135,274	115,490	69,499	-51%
Guam	1,406	1,840	2,124	2,097	2,349	1,981	+41%
Hawaii	17,869	20,104	21,523	22,075	21,469	16,669	-7%
Idaho	7,838	8,677	9,097	9,211	7,922	1,531	-80%
Illinois	229,308	238,967	240,013	225,796	206,316	152,165	-34%
Indiana	73,115	74,169	68,195	52,254	46,215	38,213	-48%
Iowa	36,515	39,623	37,298	33,559	28,931	23,167	-37%
Kansas	29,818	30,247	28,770	25,811	21,732	13,091	-56%
Kentucky	83,320	79,437	76,471	72,131	67,679	47,418	-43%
Louisiana	89,931	88,168	81,587	72,104	60,226	46,760	-48%
Maine	23,903	23,074	22,010	20,472	19,037	14,242	-40%
Maryland	80,256	79,772	81,115	75,573	61,730	42,134	-48%
Massachusetts	113,571	112,955	104,956	90,107	80,675	62,436	-45%
Michigan	228,377	225,671	207,089	180,790	156,077	108,286	-53%
Minnesota	63,995	63,552	61,373	58,510	54,608	47,037	-26%
Mississippi	60,520	57,689	53,104	49,185	40,919	18,772	-69%
Missouri	88,744	91,598	91,378	84,534	75,459	55,074	-38%
Montana	11,793	12,080	11,732	11,276	9,644	6,724	-43%
Nebraska	16,637	16,145	14,968	14,136	13,492	12,147	-27%
Nevada	12,892	14,077	16,039	15,824	11,742	9,122	-29%
New Hampshire	10,805	11,427	11,018	9,648	8,293	5,968	-45%
New Jersey	126,179	121,361	120,099	113,399	102,378	68,669	-46%
New Mexico	31,103	33,376	34,789	34,368	29,984	24,833	-20%
New York	428,191	449,978	461,006	437,694	393,424	316,035	-26%
North Carolina	128,946	131,288	127,069	114,449	103,300	69,958	-46%
North Dakota	6,577	6,002	5,374	4,976	4,416	3,060	-53%
Ohio	257,665	251,037	232,574	209,830	192,747	123,902	-52%
Oklahoma	50,955	47,475	45,936	40,692	32,942	21,644	-58%
Oregon	42,409	42,695	40,323	35,421	25,874	17,721	-58%

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Pennsylvania	204,216	208,260	208,899	192,952	170,831	124,661	-39%
Puerto Rico	60,950	59,425	55,902	51,370	48,359	39,378	-35%
Rhode Island	21,900	22,592	22,559	21,775	20,112	19,213	-12%
South Carolina	54,599	53,178	50,389	46,772	37,342	20,847	-62%
South Dakota	7,262	7,027	6,482	6,189	5,324	3,496	-52%
Tennessee	112,159	111,946	105,948	100,884	74,820	57,131	-49%
Texas	279,002	285,680	279,911	265,233	228,882	126,607	-55%
Utah	18,606	18,063	17,195	15,072	12,864	10,465	-44%
Vermont	10,081	9,917	9,789	9,210	8,451	6,903	-32%
Virgin Islands	1,073	1,090	1,264	1,437	1,335	1,249	+16%
Virginia	73,446	74,717	73,920	66,244	56,018	39,239	-47%
Washington	100,568	103,068	103,179	99,395	95,982	66,821	-34%
West Virginia	41,525	40,869	39,231	36,674	36,805	12,300	-70%
Wisconsin	81,291	78,507	73,962	65,386	45,586	10,247	-87%
Wyoming	6,493	5,891	5,443	4,975	3,825	854	-87%
U.S. TOTAL	4,963,050	5,052,854	4,963,071	4,627,941	4,113,775	2,896,325	-42%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
January 1999

Aid to Families with Dependent Children (AFDC)
Temporary Assistance for Needy Families (TANF)
Percent of Total U.S. Population, 1960-1998
Source: HHS Administration for Children and Families

year	recipients	U.S. pop.	% of pop.
1960	3,005,000	180,671,000	1.7%
1961	3,354,000	183,691,000	1.8%
1962	3,676,000	186,538,000	2.0%
1963	3,876,000	189,242,000	2.0%
1964	4,118,000	191,889,000	2.1%
1965	4,329,000	194,303,000	2.2%
1966	4,513,000	196,560,000	2.3%
1967	5,014,000	198,712,000	2.5%
1968	5,705,000	200,706,000	2.8%
1969	6,706,000	202,677,000	3.3%
1970	8,466,000	205,052,000	4.1%
1971	10,241,000	207,661,000	4.9%
1972	10,947,000	209,896,000	5.2%
1973	10,949,000	211,909,000	5.2%
1974	10,864,000	213,854,000	5.1%
1975	11,165,185	215,973,000	5.2%
1976	11,386,371	218,035,000	5.2%
1977	11,129,702	220,239,000	5.1%
1978	10,671,812	222,585,000	4.8%
1979	10,317,902	225,055,000	4.6%
1980	10,597,445	227,726,000	4.7%
1981	11,159,847	229,966,000	4.9%
1982	10,430,960	232,188,000	4.5%
1983	10,659,365	234,307,000	4.5%
1984	10,865,604	236,348,000	4.6%
1985	10,812,625	238,466,000	4.5%
1986	10,996,505	240,651,000	4.6%
1987	11,065,027	242,804,000	4.6%
1988	10,919,696	245,021,000	4.5%
1989	10,933,980	247,342,000	4.4%
1990	11,460,382	249,913,000	4.6%
1991	12,592,269	252,650,000	5.0%
1992	13,625,342	255,419,000	5.3%
1993	14,142,710	258,137,000	5.5%
1994	14,225,591	260,372,000	5.5%
1995	13,652,232	263,034,000	5.2%
1996	12,648,859	265,284,000	4.7%
1997	10,936,298	267,636,000	4.1%
September 1998*	7,954,955	270,733,000	2.9%

Note: unless noted, caseload numbers are average monthly

*most recent available

III. PARTICIPANTS

Briefing Participants:
Bruce Reed
Cynthia Rice
Doug Sosnik
Paul Begala
Joe Lockhart
Broderick Johnson
Jeff Shesol

Event Participants:
Governor Mel Carnahan (D-MO)
Robert J. Higgins, President and Chief Operating Officer, Fleet Financial Group, Inc.
Carlos Rosas, a 32 year old father from St. Paul, Minnesota, who enrolled in a fathers' program employment program in October 1996 when he was not making enough money to keep up with his child support obligation for his son, Ricardo, who is now 12 years old. At that time, Ricardo's mother was receiving welfare. Since joining the program operated by the Ramsey County Child Support office, Carlos has worked hard to earn a GED, pay full child support for his son, increase his earning power so he will be able to save money to send Ricardo to college, and improve his own future. Carlos is currently balancing a full time job as a head maintenance worker, where he make $8.50 an hour, with finishing his second year at a two-year Electronics Technology/Computer Sciences program.

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- You will be announced into the room accompanied by Governor Mel Carnahan, Robert J. Higgins, and Carlos Rosas.
- Robert J. Higgins, President and COO, Fleet Bank, will make remarks and introduce Governor Mel Carnahan.
- Governor Mel Carnahan will make remarks and introduce Carlos Rosas, father.
- Carlos Rosas will make remarks and introduce you.
- You will make remarks, work a ropeline, and then depart.

VI. REMARKS

Remarks Provided by Speechwriting.

WR - Caseload

Caseloads Continue Their Record Declines: New caseload data show the welfare rolls have fallen below 8 million for the first time since 1969 and have fallen nearly 2 million since last year's State of the Union. The welfare rolls have declined by 43 percent since January 1993, when they stood at 14.1 million, and by 35 percent since their August 1996. The percentage of the U.S. population on welfare is at its lowest in 30 years -- 2.9 percent (in 1968 it was 2.8%). The number of people on welfare is at its lowest in 29 years (in 1969 there were 6.7 million people on the rolls). [Note: we're counting years through 1998 since that's when data is from -- we could probably add another year if we wanted to count through 1999 since that's when we're releasing the data]

	Number of people on welfare (millions)	Decline since taking office (#) (%)	Decline since signing law (#) (%)	Decline since prior SOU (#) (%)	President's Statements
Oath of Office (1/93)	14.1				
Welfare Bill Signing* (8/96)	12.2	1.9 14%			"Today, we are taking an historic chance to make welfare what it was meant to be: a second chance, not a way of life."
1997 State of Union (10/96 data)	11.9	2.2 16%	.3 2%		"Now each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, can work. Now we must act to meet a new goal: 2 million more people off the welfare rolls by the year 2000."
1998 State of Union (9/97 data)	9.8	4.3 31%	2.4 20%	2.1 18%	"Last year, after a record four-year decline in welfare rolls, I challenged our nation to move 2 million more Americans off welfare by the year 2000. I'm pleased to report we have also met that goal, two full years ahead of schedule."
1999 State of Union (9/98 data)	8.0**	6.1 43%	4.3 35%	1.8 18%	

* These are the actual caseload numbers for August 1996, which were not yet available when the President signed the bill into law. The President's August 1996 statements were based on May 1996 data.

CHANGE IN AFDC/TANF CASELOADS

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	2,896	-42%
			2,067,000 fewer families				
Recipients	14,116	14,276	13,931	12,877	11,423	7,955	-44%
			6,160,000 fewer recipients				

Total AFDC/TANF recipients by State

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Alabama	141,746	135,096	121,837	108,269	91,723	52,076	-63%
Alaska	34,951	37,505	37,264	35,432	36,189	28,121	-20%
Arizona	194,119	202,350	195,082	171,617	151,528	99,792	-49%
Arkansas	73,982	70,563	65,325	59,223	54,879	31,412	-58%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	1,908,534	-21%
Colorado	123,308	118,081	110,742	99,739	87,434	46,312	-62%
Connecticut	160,102	164,265	170,719	161,736	155,701	118,066	-26%
Delaware	27,652	29,286	26,314	23,153	23,141	14,013	-49%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	53,727	-18%
Florida	701,842	689,135	657,313	575,553	478,329	246,191	-65%
Georgia	402,228	396,736	388,913	367,656	306,625	172,065	-57%
Guam	5,087	6,651	7,630	7,634	7,370	6,823	+34%
Hawaii	54,511	60,975	65,207	66,690	65,312	46,001	-16%
Idaho	21,116	23,342	24,050	23,547	19,812	3,285	-84%
Illinois	685,508	709,969	710,032	663,212	601,854	449,466	-34%
Indiana	209,882	218,061	197,225	147,083	121,974	117,437	-44%
Iowa	100,943	110,639	103,108	91,727	76,275	62,836	-38%
Kansas	87,525	87,433	81,504	70,758	57,528	33,447	-62%
Kentucky	227,879	209,710	193,722	176,601	162,730	112,676	-51%
Louisiana	263,338	252,860	258,180	239,247	206,582	121,772	-54%
Maine	67,836	65,006	60,973	56,319	51,178	37,673	-44%
Maryland	221,338	219,863	227,887	207,800	169,723	108,636	-51%
Massachusetts	332,044	311,732	286,175	242,572	214,014	166,179	-50%
Michigan	686,356	672,760	612,224	535,704	462,291	308,817	-55%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,440	-26%
Mississippi	174,093	161,724	146,319	133,029	109,097	45,009	-74%
Missouri	259,039	262,073	259,595	238,052	208,132	139,475	-46%
Montana	34,848	35,415	34,313	32,557	28,138	19,561	-44%
Nebraska	48,055	46,034	42,038	38,653	39,535	36,187	-25%
Nevada	34,943	37,908	41,846	40,491	28,973	23,353	-33%
New Hampshire	28,972	30,386	28,671	24,519	20,627	14,429	-50%
New Jersey	349,902	334,760	321,151	293,833	256,064	182,193	-48%
New Mexico	94,836	101,676	105,114	102,648	89,814	78,176	-18%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	862,162	-27%
North Carolina	331,633	334,451	317,836	282,086	253,286	162,282	-51%
North Dakota	18,774	16,785	14,920	13,852	11,964	8,227	-56%
Ohio	720,476	691,099	629,719	552,304	518,595	319,912	-56%
Oklahoma	146,454	133,152	127,336	110,498	87,312	58,044	-60%
Oregon	117,656	116,390	107,610	92,182	66,919	44,235	-62%

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Pennsylvania	604,701	615,581	611,215	553,148	484,321	345,952	-43%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	117,649	-38%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,125	-11%
South Carolina	151,026	143,883	133,567	121,703	98,077	52,280	-65%
South Dakota	20,254	19,413	17,652	16,821	14,091	9,120	-55%
Tennessee	320,709	302,608	281,982	265,320	195,891	148,532	-54%
Texas	785,271	796,348	765,460	714,523	626,617	346,232	-56%
Utah	53,172	50,657	47,472	41,145	35,493	27,992	-47%
Vermont	28,961	28,095	27,716	25,865	23,570	18,804	-35%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,365	+16%
Virginia	194,212	194,959	189,493	166,012	136,053	94,431	-51%
Washington	285,258	292,608	290,940	276,018	263,792	184,584	-36%
West Virginia	119,916	115,376	107,668	98,439	98,690	34,995	-71%
Wisconsin	241,098	230,621	214,404	194,209	132,383	34,031	-86%
Wyoming	18,271	16,740	15,434	13,531	10,322	1,821	-90%
U.S. TOTAL	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	7,854,955	-44%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
January 1999

III. PARTICIPANTS

Briefing Participants:
Bruce Reed
Cynthia Rice
Doug Sosnik
Paul Begala
Joe Lockhart
Broderick Johnson
Jeff Shesol

Event Participants:
Governor Mel Carnahan (D-MO)
Robert J. Higgins, President and Chief Operating Officer, Fleet Financial Group, Inc.
Carlos Rosas, a 32 year old father from St. Paul, Minnesota, who enrolled in a fathers' program employment program in October 1996 when he was not making enough money to keep up with his child support obligation for his son, Ricardo, who is now 12 years old. At that time, Ricardo's mother was receiving welfare. Since joining the program operated by the Ramsey County Child Support office, Carlos has worked hard to earn a GED, pay full child support for his son, increase his earning power so he will be able to save money to send Ricardo to college, and improve his own future. Carlos is currently balancing a full time job as a head maintenance worker, where he make $8.50 an hour, with finishing his second year at a two-year Electronics Technology/Computer Sciences program.

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VI. REMARKS

Remarks Provided by Speechwriting.

Caseloads..
Work
Immigs

Record #'s leaving W, record #s going to work

Caseload gets all attn, but

WORK – Explosion of work

More people on W. are working, & more people are leaving W for work.

- # of people → tripled
- # of people on welfare one year who are working the next has doubled

State rates

DO MORE: – 50% increase in WTW vouchers
– 100% increase in Transportation
– $1B → 200,000

IMMIGS

Keeping both promises

① Restore Medicaid + SSI disabled after coming
② State option to cover legal immig children after
③ State option to ~~co~~ provide Medicaid for pregnant &

WR - Caseload

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(in thousands)

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Alaska	34,951	37,505	37,264	35,432	36,189	28,121	-20%
Arizona	194,119	202,350	195,082	171,617	151,528	99,792	-49%
Arkansas	73,982	70,563	65,325	59,223	54,879	31,412	-58%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	1,908,534	-21%
Colorado	123,308	118,081	110,742	99,739	87,434	46,312	-62%
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Dist. of Col.	65,860	72,330	72,330	70,082	67,871	53,727	-18%
Florida	701,842	689,135	657,313	575,553	478,329	246,191	-65%
Georgia	402,228	396,736	388,913	367,656	306,625	172,065	-57%
Guam	5,087	6,651	7,630	7,634	7,370	6,823	+34%
Hawaii	54,511	60,975	65,207	66,690	65,312	46,001	-16%
Idaho	21,116	23,342	24,050	23,547	19,812	3,265	-84%
Illinois	685,506	709,969	710,032	663,212	601,854	449,466	-34%
Indiana	209,882	218,061	197,225	147,083	121,974	117,437	-44%
Iowa	100,943	110,638	103,103	91,727	76,275	62,836	-38%
Kansas	87,525	87,433	81,504	70,758	57,528	33,447	-62%
Kentucky	227,879	209,710	193,722	176,601	162,730	112,676	-51%
Louisiana	263,338	252,860	258,180	239,247	206,582	121,772	-54%
Maine	67,836	65,006	60,973	56,319	51,178	37,673	-44%
Maryland	221,338	219,853	227,887	207,800	169,723	108,836	-51%
Massachusetts	332,044	311,732	286,175	242,572	214,014	166,179	-50%
Michigan	688,356	672,760	612,224	535,704	462,291	308,817	-55%
Minnesota	191,526	189,615	180,490	171,916	160,167	141,440	-26%
Mississippi	174,093	161,724	146,319	133,029	109,097	45,009	-74%
Missouri	259,039	262,073	259,595	238,052	208,132	139,475	-46%
Montana	34,848	35,415	34,313	32,657	28,138	19,561	-44%
Nebraska	48,055	46,034	42,038	38,653	36,535	36,187	-25%
Nevada	34,943	37,908	41,846	40,491	28,973	23,353	-33%
New Hampshire	28,972	30,386	28,671	24,519	20,627	14,429	-50%
New Jersey	349,902	334,760	321,151	293,833	256,064	182,193	-48%
New Mexico	94,836	101,676	105,114	102,648	89,814	78,176	-16%
New York	1,179,522	1,241,639	1,266,350	1,200,847	1,074,189	862,162	-27%
North Carolina	331,633	334,451	317,836	282,086	253,286	162,282	-51%
North Dakota	18,774	16,785	14,920	13,652	11,964	8,227	-56%
Ohio	720,476	681,099	629,719	552,304	518,595	319,912	-56%
Oklahoma	146,454	133,152	127,336	110,498	87,312	58,044	-60%
Oregon	117,656	116,390	107,610	92,162	66,919	44,235	-62%

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Sep 98	Percent (93-98)
Pennsylvania	604,701	615,581	611,215	553,143	484,321	345,952	-43%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	117,649	-38%
Rhode Island	61,116	62,737	62,407	60,654	54,809	54,125	-11%
South Carolina	151,026	143,883	133,567	121,703	98,077	52,280	-65%
South Dakota	20,254	19,413	17,652	16,821	14,091	9,120	-55%
Tennessee	320,709	302,608	281,982	265,320	195,891	148,532	-54%
Texas	785,271	796,348	765,460	714,523	626,617	346,232	-56%
Utah	53,172	50,657	47,472	41,145	35,493	27,992	-47%
Vermont	28,961	28,095	27,716	25,865	23,570	18,804	-35%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,365	+16%
Virginia	194,212	194,959	189,493	166,012	136,053	94,431	-51%
Washington	286,258	292,608	280,940	276,018	263,792	184,584	-36%
West Virginia	119,916	115,376	107,668	98,439	98,690	34,995	-71%
Wisconsin	241,098	230,621	214,404	184,209	132,383	34,031	-86%
Wyoming	18,271	16,740	15,434	13,531	10,322	1,821	-90%
U.S. TOTAL	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	7,954,955	-44%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
January 1999

CHANGE IN AFDC/TANF CASELOADS

WR-Caseloads

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jun 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	3,031	-39%
			1,932,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	8,380	-41%
			5,735,000 fewer recipients				

Total AFDC/TANF recipients by State

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jun 98	Percent (93-98)
Alabama	141,746	135,096	121,837	108,269	91,723	54,751	-61%
Alaska	34,951	37,505	37,264	35,432	36,189	30,660	-12%
Arizona	194,119	202,350	195,082	171,617	151,526	100,425	-48%
Arkansas	73,982	70,563	65,325	59,223	54,879	32,073	-57%
California	2,415,121	2,621,383	2,692,202	2,648,772	2,476,564	2,019,702	-16%
Colorado	123,308	118,081	110,742	99,739	87,434	54,605	-56%
Connecticut	160,102	164,265	170,719	161,736	155,701	108,377	-32%
Delaware	27,652	29,286	26,314	23,153	23,141	17,191	-38%
Dist. of Col.	65,860	72,330	72,330	70,082	67,871	55,722	-15%
Florida	701,842	689,135	657,313	575,553	478,329	254,042	-64%
Georgia	402,228	396,736	388,913	367,656	306,625	180,195	-54%
Guam	5,087	6,651	7,630	7,634	7,370	6,582	+29%
Hawaii	54,511	60,975	65,207	66,690	65,312	75,889	+39%
Idaho	21,116	23,342	24,050	23,547	19,812	4,101	-81%
Illinois	685,508	709,969	710,032	663,212	601,854	482,650	-30%
Indiana	209,882	218,061	197,225	147,083	121,974	117,237	-44%
Iowa	100,943	110,639	103,108	91,727	78,275	65,809	-35%
Kansas	87,525	87,433	81,504	70,758	57,528	33,321	-62%
Kentucky	227,879	208,710	193,722	176,601	162,730	119,199	-48%
Louisiana	263,338	252,860	258,180	239,247	206,582	125,805	-52%
Maine	67,836	65,006	60,973	56,319	51,178	40,055	-41%
Maryland	221,338	219,863	227,887	207,800	169,723	120,806	-45%
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Michigan	686,356	672,760	612,224	535,704	462,291	334,844	-51%
Minnesota	191,526	189,615	180,490	171,916	160,167	146,529	-23%
Mississippi	174,093	161,724	146,319	133,029	109,097	51,261	-71%
Missouri	259,039	262,073	259,595	238,052	208,132	144,675	-44%
Montana	34,848	35,415	34,313	32,557	28,138	21,550	-38%
Nebraska	48,055	46,034	42,038	38,653	36,535	36,645	-24%
Nevada	34,943	37,908	41,846	40,491	28,973	25,515	-27%
New Hampshire	28,972	30,386	28,671	24,519	20,627	14,880	-49%
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North Dakota	18,774	16,785	14,920	13,652	11,964	8,486	-55%
Ohio	720,476	691,099	629,719	552,304	518,595	341,839	-53%
Oklahoma	146,454	133,152	127,336	110,498	87,312	59,744	-59%
Oregon	117,656	116,390	107,610	92,182	66,919	45,898	-61%

STATE	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jun 98	Percent (93-98)
Pennsylvania	604,701	615,581	611,215	553,148	484,321	360,667	-40%
Puerto Rico	191,261	184,626	171,932	156,805	145,749	122,310	-36%
Rhode Island	61,116	62,737	62,407	60,654	54,809	53,712	-12%
South Carolina	151,026	143,883	133,567	121,703	98,077	59,955	-60%
South Dakota	20,254	19,413	17,652	16,821	14,091	9,791	-52%
Tennessee	320,709	302,608	281,982	265,320	195,891	147,171	-54%
Texas	785,271	796,348	765,460	714,523	626,617	363,809	-54%
Utah	53,172	50,657	47,472	41,145	35,493	28,320	-47%
Vermont	28,961	28,095	27,716	25,865	23,570	19,620	-32%
Virgin Islands	3,763	3,767	4,345	5,075	4,712	4,078	+8%
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Washington	286,258	292,608	290,940	276,018	263,792	207,647	-27%
West Virginia	119,916	115,376	107,668	98,439	98,690	36,958	-69%
Wisconsin	241,098	230,621	214,404	184,209	132,383	42,671	-82%
Wyoming	18,271	16,740	15,434	13,531	10,322	2,946	-84%
U.S. TOTAL	14,114,992	14,275,877	13,930,953	12,876,661	11,423,007	8,380,449	-41%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
August 1998

CHANGE IN AFDC/TANF CASELOADS

Total AFDC/TANF families and recipients

(in thousands)

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jun 98	Percent (93-98)
Families	4,963	5,053	4,963	4,628	4,114	3,031	-39%
			1,932,000 fewer families				
Recipients	14,115	14,276	13,931	12,877	11,423	8,380	-41%
			5,735,000 fewer recipients				

Total AFDC/TANF families by State

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jun 98	Percent (93-98)
Alabama	51,910	51,181	47,376	43,396	37,972	22,662	-56%
Alaska	11,626	12,578	12,518	11,979	12,224	10,089	-13%
Arizona	68,982	72,160	71,110	64,442	56,250	37,008	-46%
Arkansas	26,897	26,398	24,930	23,140	21,549	12,905	-52%
California	844,494	902,900	925,585	904,940	839,860	689,440	-18%
Colorado	42,445	41,616	39,115	35,661	31,288	19,824	-53%
Connecticut	56,759	58,453	60,927	58,124	56,095	40,990	-28%
Delaware	11,315	11,739	11,306	10,266	10,104	6,747	-40%
Dist. of Col.	24,628	26,624	26,624	25,717	24,752	20,454	-17%
Florida	256,145	254,032	241,193	215,512	182,075	98,671	-61%
Georgia	142,040	142,459	141,284	135,274	115,490	69,777	-51%
Guam	1,406	1,840	2,124	2,097	2,349	1,947	+38%
Hawaii	17,869	20,104	21,523	22,075	21,469	23,570	+32%
Idaho	7,838	8,677	9,097	9,211	7,922	1,832	-77%
Illinois	229,308	238,967	240,013	225,796	206,316	164,177	-28%
Indiana	73,115	74,169	68,195	52,254	46,215	38,540	-47%
Iowa	36,515	39,623	37,298	33,559	28,931	24,219	-34%
Kansas	29,818	30,247	28,770	25,811	21,732	12,984	-56%
Kentucky	83,320	79,437	76,471	72,131	67,679	49,630	-40%
Louisiana	89,931	88,168	81,587	72,104	60,226	48,441	-46%
Maine	23,903	23,074	22,010	20,472	19,037	15,226	-36%
Maryland	80,256	79,772	81,115	75,573	61,730	45,985	-43%
Massachusetts	113,571	112,955	104,956	90,107	80,675	63,501	-44%
Michigan	228,377	225,671	207,089	180,790	156,077	115,410	-49%
Minnesota	63,995	63,552	61,373	58,510	54,608	48,684	-24%
Mississippi	60,520	57,689	53,104	49,185	40,919	20,778	-66%
Missouri	88,744	91,598	91,378	84,534	75,459	57,028	-36%
Montana	11,793	12,080	11,732	11,276	9,644	7,369	-38%
Nebraska	16,637	16,145	14,968	14,136	13,492	13,266	-20%
Nevada	12,892	14,077	16,039	15,824	11,742	9,862	-24%
New Hampshire	10,805	11,427	11,018	9,648	8,293	6,123	-43%
New Jersey	126,179	121,361	120,099	113,399	102,378	76,789	-39%
New Mexico	31,103	33,376	34,789	34,368	29,984	22,709	-27%
New York	428,191	449,978	461,006	437,694	393,424	324,828	-24%
North Carolina	128,946	131,288	127,069	114,449	103,300	68,020	-47%
North Dakota	6,577	6,002	5,374	4,976	4,416	3,191	-51%
Ohio	257,665	251,037	232,574	209,830	192,747	131,350	-49%
Oklahoma	50,955	47,475	45,936	40,692	32,942	22,269	-56%
Oregon	42,409	42,695	40,323	35,421	25,874	18,382	-57%

	Jan 93	Jan 94	Jan 95	Jan 96	Jan 97	Jun 98	Percent (93-98)
Pennsylvania	204,216	208,260	208,899	192,952	170,831	129,383	-37%
Puerto Rico	60,950	59,425	55,902	51,370	48,359	40,883	-33%
Rhode Island	21,900	22,392	22,559	21,775	20,112	18,992	-13%
South Carolina	54,599	53,178	50,389	46,772	37,342	23,253	-57%
South Dakota	7,262	7,027	6,482	6,189	5,324	3,734	-49%
Tennessee	112,159	111,946	105,948	100,884	74,820	57,059	-49%
Texas	279,002	285,680	279,911	265,233	228,882	132,549	-52%
Utah	18,606	18,063	17,195	15,072	12,864	10,488	-44%
Vermont	10,081	9,917	9,789	9,210	8,451	7,155	-29%
Virgin Islands	1,073	1,090	1,264	1,437	1,335	1,174	+9%
Virginia	73,446	74,717	73,920	66,244	56,018	40,791	-44%
Washington	100,568	103,068	103,179	99,395	95,982	74,969	-25%
West Virginia	41,525	40,869	39,231	36,674	36,805	13,374	-68%
Wisconsin	81,291	78,507	73,962	65,386	45,586	11,276	-86%
Wyoming	6,493	5,891	5,443	4,975	3,825	1,282	-80%
U.S. TOTAL	4,963,050	5,052,854	4,963,071	4,627,941	4,113,775	3,031,039	-39%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
August 1998

CHANGE IN WELFARE CASELOADS SINCE ENACTMENT OF NEW WELFARE LAW

Total TANF families and recipients

(in thousands)

	Aug 96	Jun 98	Percent (96-98)
Families	4,415	3,031	-31%
	1,384,000 fewer families		
Recipients	12,241	8,380	-32%
	3,861,000 fewer recipients		

Total TANF recipients by State

STATE	Aug 96	Jun 98	Percent (96-98)
Alabama	100,662	54,751	-46%
Alaska	35,544	30,660	-14%
Arizona	169,442	100,425	-41%
Arkansas	56,343	32,073	-43%
California	2,581,948	2,019,702	-22%
Colorado	95,788	54,605	-43%
Connecticut	159,246	108,377	-32%
Delaware	23,654	17,191	-27%
Dist. of Col.	69,292	55,722	-20%
Florida	533,801	254,042	-52%
Georgia	330,302	180,195	-45%
Guam	8,314	6,582	-21%
Hawaii	66,482	75,889	+14%
Idaho	21,780	4,101	-81%
Illinois	642,644	482,650	-25%
Indiana	142,604	117,237	-18%
Iowa	86,146	65,809	-24%
Kansas	63,783	33,321	-48%
Kentucky	172,193	119,199	-31%
Louisiana	228,115	125,805	-45%
Maine	53,873	40,055	-26%
Maryland	194,127	120,806	-38%
Massachusetts	226,030	165,062	-27%
Michigan	502,354	334,844	-33%
Minnesota	169,744	146,529	-14%
Mississippi	123,828	51,261	-59%
Missouri	222,820	144,675	-35%
Montana	29,130	21,550	-26%
Nebraska	38,592	36,645	-5%
Nevada	34,261	25,515	-26%
New Hampshire	22,937	14,880	-35%
New Jersey	275,637	202,691	-26%
New Mexico	99,661	72,695	-27%
New York	1,143,962	888,725	-22%
North Carolina	267,326	162,149	-39%
North Dakota	13,146	8,486	-35%
Ohio	549,312	341,839	-38%
Oklahoma	96,201	59,744	-38%
Oregon	78,419	45,898	-41%

STATE	Aug 96	Jun 98	Percent (96-98)
Pennsylvania	531,059	360,667	-32%
Puerto Rico	151,023	122,310	-19%
Rhode Island	56,560	53,712	-5%
South Carolina	114,273	59,955	-48%
South Dakota	15,896	9,791	-38%
Tennessee	254,818	147,171	-42%
Texas	649,018	363,809	-44%
Utah	39,073	28,320	-28%
Vermont	24,331	19,620	-19%
Virgin Islands	4,898	4,078	-17%
Virginia	152,845	98,409	-36%
Washington	268,927	207,647	-23%
West Virginia	89,039	36,958	-58%
Wisconsin	148,888	42,671	-71%
Wyoming	11,398	2,946	-74%
U.S. TOTAL	12,241,489	8,380,449	-32%

Source:
U.S. Dept. of Health & Human Services
Administration for Children and Families
August 1998

April - June 1998

	FAMILIES			RECIPIENTS		
	April	May	June	April	May	June
Alabama	23,591	23,187	22,662	57,455	56,278	54,751
Alaska	10,593	10,446	10,089	32,450	31,832	30,660
Arizona	38,194	37,262	37,008	104,169	101,224	100,425
Arkansas	13,318	12,854	12,905	33,439	31,977	32,073
California	711,028	699,163	689,440	2,087,912	2,052,681	2,019,702
Colorado	21,354	20,333	19,824	59,141	56,085	54,605
Connecticut	44,032	42,611	40,990	117,845	113,579	108,377
Delaware	7,104	6,954	6,747	18,202	17,747	17,191
Dist. of Col.	21,067	20,735	20,454	57,632	56,548	55,722
Florida	104,536	101,571	98,671	272,078	263,318	254,042
Georgia	74,513	72,157	69,777	193,275	186,718	180,195
Guam	1,994	1,953	1,947	6,821	6,561	6,582
Hawaii	23,772	23,709	23,570	76,397	76,174	75,889
Idaho	2,023	1,907	1,832	4,614	4,271	4,101
Illinois	172,711	171,736	164,177	511,507	509,787	482,650
Indiana	39,641	38,915	38,540	120,464	118,324	117,237
Iowa	25,680	24,879	24,219	70,366	67,833	65,809
Kansas	13,602	13,231	12,984	35,380	34,179	33,321
Kentucky	52,644	51,579	49,630	127,210	124,141	119,199
Louisiana	48,772	48,585	48,441	125,730	125,622	125,805
Maine	15,572	15,385	15,226	41,289	40,691	40,055
Maryland	48,218	47,275	45,985	127,879	124,825	120,806
Massachusetts	65,793	64,588	63,501	172,327	168,308	165,062
Michigan	122,879	119,218	115,410	357,213	346,459	334,844
Minnesota	49,031	48,486	48,684	147,223	145,773	146,529
Mississippi	22,720	22,024	20,778	57,282	54,817	51,261
Missouri	59,860	58,073	57,028	153,196	147,624	144,675
Montana	7,865	7,622	7,369	23,025	22,326	21,550
Nebraska	13,810	13,543	13,266	38,356	37,536	36,645
Nevada	10,000	9,954	9,862	26,386	25,991	25,515
New Hampshire	6,367	6,249	6,123	15,772	15,210	14,880
New Jersey	79,120	78,100	76,789	210,545	207,068	202,691
New Mexico	22,535	22,740	22,709	71,536	72,374	72,695
New York	334,476	330,081	324,828	906,668	898,901	888,725
North Carolina	73,030	70,505	68,020	176,526	169,413	162,149
North Dakota	3,318	3,219	3,191	8,769	8,503	8,486
Ohio	139,984	135,435	131,350	366,796	353,764	341,839
Oklahoma	23,712	23,055	22,269	63,618	61,825	59,744
Oregon	19,145	18,748	18,382	48,138	46,923	45,898
Pennsylvania	133,871	131,514	129,383	374,415	367,389	360,667
Puerto Rico	41,801	41,270	40,883	125,299	123,578	122,310
Rhode Island	19,020	19,048	18,992	53,525	53,692	53,712
South Carolina	25,687	24,205	23,253	67,647	63,002	59,955
South Dakota	3,863	3,807	3,734	10,125	9,904	9,791
Tennessee	58,433	57,456	57,059	151,395	148,461	147,171
Texas	141,011	136,146	132,549	388,986	374,947	363,809
Utah	10,791	9,851	10,488	29,165	26,254	28,320
Vermont	7,423	7,246	7,155	20,530	20,153	19,620
Virgin Islands	1,141	1,125	1,174	4,017	3,879	4,078
Virginia	42,375	41,707	40,791	102,625	100,691	98,409
Washington	78,014	76,567	74,969	216,133	212,412	207,647
West Virginia	15,263	13,617	13,374	42,708	37,730	36,958
Wisconsin	11,475	11,410	11,276	43,491	43,321	42,671
Wyoming	1,392	1,339	1,282	3,266	3,095	2,946
U.S. Totals	*3,159,154*	*3,094,375*	*3,031,039*	*8,757,958*	*8,571,718*	*8,380,449*

Prepared by ACF/OPRE/DDCA, August 18, 1998

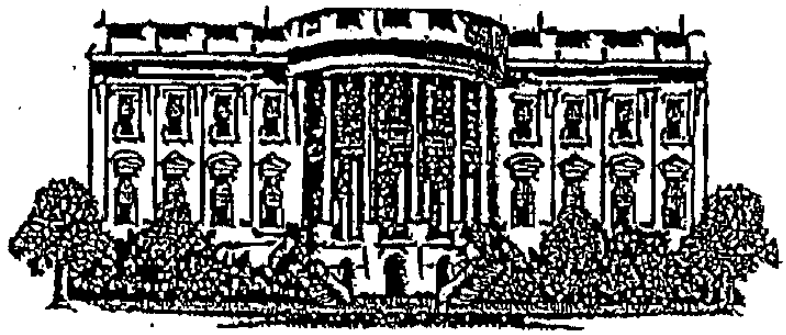
WR - Caseload

Welfare Caseload Analysis
9/4/98

	# of recipients (in millions)	# change from prior mo	% change from prior mo	# change from prior yr	% change from prior yr
Jan 96	12.877				
Aug 96	12.202				
Oct 96	11.895				
Jan 97	11.36			-1.517	-11.8%
Feb 97	11.262	-0.098	-0.9%		
Mar 97	11.156	-0.106	-0.9%		
April 97	10.969	-0.187	-1.7%		
May 97	10.748	-0.221	-2.0%		
June 97	10.494	-0.254	-2.4%		
July 97	10.258	-0.236	-2.2%		
Aug 97	9.995	-0.263	-2.6%	-2.207	-18.1%
Sep 97	9.804	-0.191	-1.9%		
Oct 97	9.668	-0.136	-1.4%	-2.227	-18.7%
Nov 97	9.447	-0.221	-2.3%		
Dec 97	9.345	-0.102	-1.1%		
Jan 98	9.132	-0.213	-2.3%	-2.228	-19.6%
Feb 98	9.026	-0.106	-1.2%	-2.236	-19.9%
Mar 98	8.91	-0.116	-1.3%	-2.246	-20.1%
April 98	8.758	-0.152	-1.7%	-2.211	-20.2%
May 98	8.572	-0.186	-2.1%	-2.176	-20.2%
June 98	8.38	-0.192	-2.2%	-2.114	-20.1%

	Absolute	**% change**
Drop Mar to June 97	-0.662	-5.93%
Drop Mar to June 98	-0.53	-5.95%
Difference	**-20%**	**0.24%**

USA Today used absolute change, which makes no sense when base is falling.
In fact, rate of change has held steady at nearly 6%, and has actually accelerated slightly (by one quarter of a percent).



THE WHITE HOUSE

Domestic Policy Council

DATE: 1/22

FACSIMILE FOR: Bruce Reed

FAX:
PHONE: 65542(f)

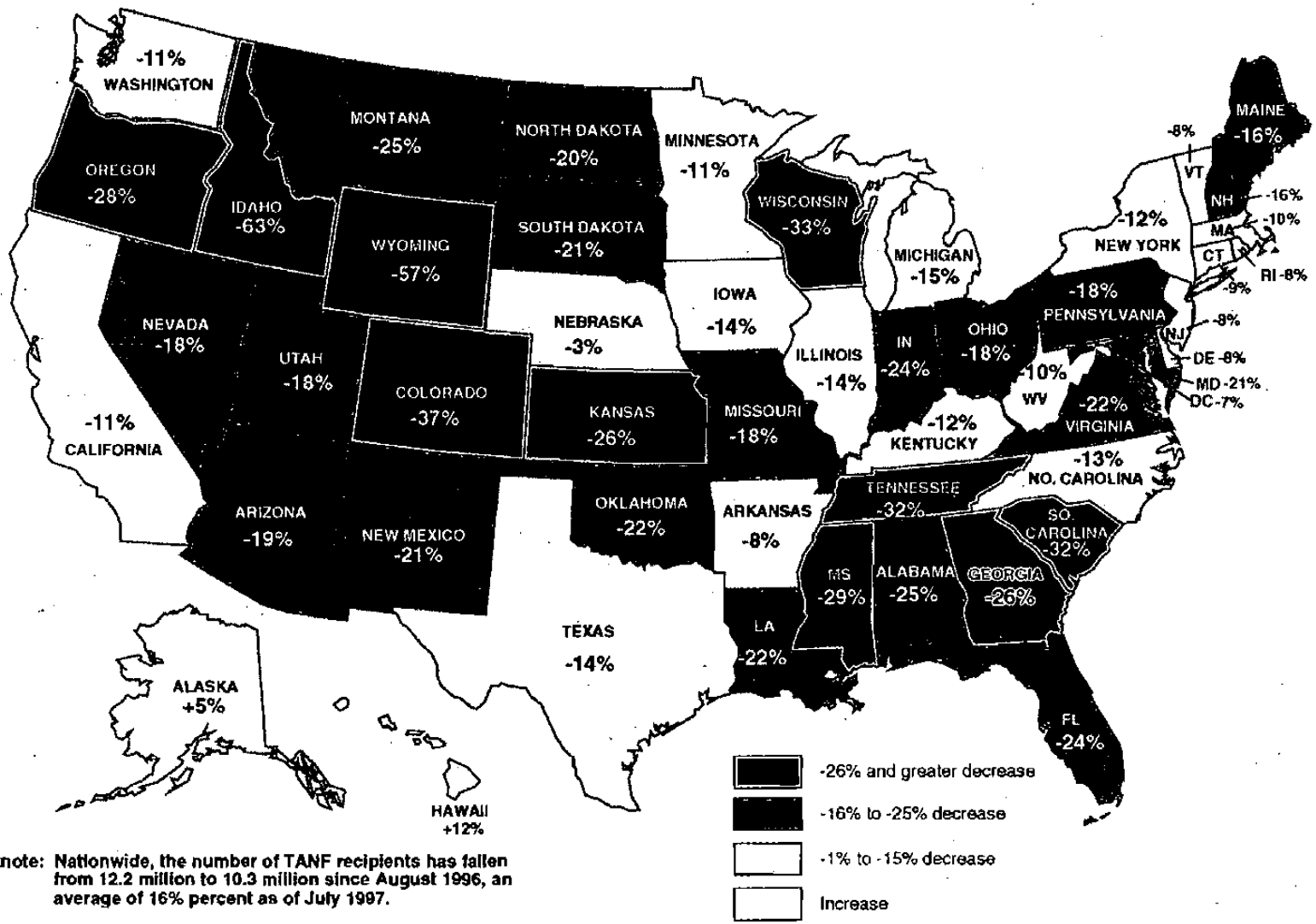
FACSIMILE FROM: Cynthia Rice, Special Assistant to the President for Domestic Policy

FAX: 202-456-7431
PHONE: 202-456-2846

NUMBER OF PAGES (INCLUDING COVER): 4

COMMENTS: For your proposals

CASELOADS DOWN 1.9 MILLION SINCE NEW WELFARE LAW ENACTED



Footnote: Nationwide, the number of TANF recipients has fallen from 12.2 million to 10.3 million since August 1996, an average of 16% percent as of July 1997.

Welfare Caseloads

	Baseline Recipients (Jan. 93)	Recipients (in month noted)	Decline since Jan. 93 (percent)	Decline since Jan. 93 (millions)	Decline since Aug. 96 (percent)	Decline since Aug. 96 (millions)
May 96*	14.115	12.499	11%	1.616		
Aug. 96*	14.115	12.202	14%	1.913		
Apr. 97	14.115	10.969	22%	3.146	10%	1.233
May 97	14.115	10.748	24%	3.367	12%	1.454
June 97	14.115	10.494	26%	3.621	14%	1.708
July 97	14.115	10.258	27%	3.857	16%	1.944
Aug. 97	14.115	9.995	29%	4.120	18%	2.207
Sep. 97**	14.115	9.804	31%	4.311	20%	2.398
Mar. 98***	14.115	8.910	37%	5.205	27%	3.292

* Note that when the welfare law was signed in August 1996, only caseload data through the month of May 1996 was available. Thus, the public statements made at that time were based on that May 1996 data.

** Data released 1/27/98.

*** Data released 5/27/98.

Q: Do you know what happened to all those people who left the rolls? Aren't some simply being cut off of welfare? Do you consider this a success?

A: Not enough time has passed for full scale research studies to be completed, but several state studies show that between 50 and 60 percent of those who leave the welfare rolls do so for work. (Others leave because of marriage, their youngest child turning 18, an increase in child support, receipt of SSI, increase in earnings by another family member, or sanctions). Welfare reform is resulting in more recipients going to work: the most recent data from the Census Bureau's Current Population Survey show that work rates among welfare recipients increased by 20 percent from 1996 to 1997. HHS estimates that this means 1.7 million people who were on welfare in 1996 were working in 1997. Many states are using sanctions to enforce work rules, and we think that is entirely appropriate. Data from several state studies find that after being sanctioned, about half the people go to work and approximately 40 percent have an increase in their income. Several states also found that one-quarter to one-third of those sanctioned return to the rolls, presumably after complying with the requirements.

** adults or kids?

PRESERVATION PHOTOCOPY

WR - Caseload

JAN 27 1998

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

MEMORANDUM FOR THE PRESIDENT

The purpose of this memo is to outline the information we have so far on the impacts of changes in welfare programs. The information is still quite preliminary, but some conclusions are emerging. These include:

- The total number of welfare recipients has fallen below 10 million for the first time since 1971. Caseloads have fallen by more than 30 percent since their peak in 1994.

- Many more recipients are now working, and the proportion of former recipients at work after leaving welfare appears to be somewhat higher than in the past.

- States are making very serious efforts to move recipients into work, both by mandating work programs and sanctioning those who do not comply, and by increasing the benefits of working through simpler and higher earnings disregards and on-going supports such as child care.

- As we found with AFDC waivers, States are adopting common approaches but with many variations in specifics. Several large States are devolving key policy decisions to the county level.

- There has been no "race to the bottom" in State welfare benefits; States are spending more per recipient than in 1994 across TANF and related programs, and State maximum benefit levels are generally unchanged.

- So far there is little evidence of extreme hardship among those who leave welfare as a result of sanctions, although many do experience fairly large declines in income. Overall, however, half or more of former recipients appear to increase their incomes after leaving welfare.

- Even when recipients move to work and improve their incomes, they are still likely to have total incomes below the poverty line.

This memo looks first at what the States are doing, in terms of both spending choices and broader policy choices. It then turns to impacts on recipients, assessing both results from evaluations of State waivers similar to current State policies and the very early results from State surveys of recipients and former recipients. Finally, the implications of these findings for Federal and State policy choices are briefly discussed.

State Responses to Welfare Reform

Welfare caseloads have declined dramatically since their peak at 14.4 million recipients in March 1994. Overall, the number of people receiving aid had declined by more than 30 percent to 9.8 million recipients by September 1997 (the most recent monthly report available). This decline has continued at an even more rapid pace since the enactment of welfare reform in August 1996. In the first year of welfare reform alone, almost 2 million recipients left the rolls. As Chart 1 (attached) shows, these declines are spread across almost all of the States.

Changes in State Spending on Welfare Programs. There has been no "race to the bottom" in State welfare spending. Because there are now fewer recipients, total State spending on welfare programs has declined since 1994. On average, however, States are spending somewhat more per recipient than they did in 1994--reported State spending on welfare and related programs is about 18 percent below the level seen in 1994, while caseloads have declined by more than 30 percent. This increased spending has not affected direct payments to recipients, which remain very close to the levels seen in both 1994 and 1996 (about $370 per family per month on average.) In all, four States have increased maximum benefit levels since the enactment of TANF, while five States have decreased maximum benefits for at least some categories of recipients.

States are reporting that they are meeting their Maintenance of Effort (MOE) requirements under welfare reform. They are required to spend 80 percent of previous (generally 1994) levels, or 75 percent if they meet the minimum participation requirements, and 20 States report exceeding that goal, some by considerable amounts (see Chart 2). Further, reported spending may understate actual amounts spent, since there are no incentives for States to report additional spending once their MOE requirements have been met. There is little in these data to suggest declines in spending levels--rather, States appear to be using at least some of their own money to provide services such as child care and job training and placement and to increase work incentives.

Changing State Policies. A focus on work is a major theme in State welfare policies, although there is considerable variation in plan specifics and in implementation across States. The following key points emerge from an overview of State policies:

1. States are focusing on encouraging and requiring work.

- 40 States have enacted policies to make work pay, generally by increasing the amount of earnings disregarded in calculating welfare benefits. (See Chart 3.) Connecticut, for example, now disregards all earnings up to the poverty level. Most States have also simplified the treatment of earnings compared to the AFDC treatment, with the result that recipients can see more clearly how even a low-wage job will make them better off.

- 44 States have raised the level of resources and/or the maximum value of a vehicle allowed to welfare recipients. (See Chart 4.) This will make it easier for recipients to get to work and to accumulate savings that might lead to self-sufficiency.

- Almost all of the States have moved to "Work First" models in their welfare programs, requiring recipients to move quickly into available jobs. Virtually every State has instituted "social contracts" or other personal responsibility agreements in which recipients commit to specific steps toward self-sufficiency. States are enforcing these contracts, sanctioning people who fail to sign or live up to their agreements.

2. Family violence issues and choices about exemptions for parents of very young children are being addressed by the States.

- 24 jurisdictions have elected to screen for, provide appropriate services; and waive requirements where needed to ensure the safety of victims of domestic violence through the Family Violence Option (See Chart 5.) Additional States, including California, are expected to implement this option in the coming months.

- As indicated in Chart 6, most States have chosen to exempt parents of infants under one year of age from work requirements. 16 States have chosen shorter exemptions (the law allows States to require parents with children over 12 weeks to work.)

3. State policies regarding time limits are varied and complex.

- Chart 7 shows that eleven States have chosen "intermittent" time limits that limit the total months of recipiency allowed within a longer time period (for example, Virginia limits TANF receipt to 24 months in any 60 month period). Nine States have chosen lifetime limits of less than five years. Both of these types of time limits often allow exceptions or exemptions. 27 States have chosen the Federal limit of 60 months. Four States have chosen other options involving supplements from State welfare programs for those reaching the Federal time limits.

- Evaluation and survey data find that recipients are often unclear about the specifics of time limits (and other reform policies) that apply to them, although they do know that the nature of welfare has changed.

- Few recipients have reached State time limits so far.

4. State plans vary considerably in their specifics and in their timing.

- A few States are making choices that appear to have little to do with work, such as counting the SSI income of disabled children and adults in computing TANF benefits without taking into account the added costs of disability.

- The amount of time that elapses between the determination of policy choices and their actual implementation varies greatly across States, usually based on whether, when and how extensively they undertook reforms through waivers. Many States have not completed the process of implementing proposed policy changes.

5. Finally, California, New York and several other states are devolving key decisions to counties.

- Other States in the process of devolving include Maryland, Ohio, Florida, Colorado and North Carolina.

- These States are devolving decisions about work activities, post-employment supports and, in some cases, sanctions; Colorado and North Carolina are also passing on decisions about other factors including eligibility. Benefit levels will still be determined at the State level, although in some cases the State will mandate only a floor which the counties can choose to exceed.

Impacts of Welfare Reform on Recipients

Moving recipients and potential recipients into work has been the focus of most State policies, and there is some preliminary evidence that employment levels are rising as caseloads decline. Evidence on the impacts of other aspects of the changes on recipients and would-be recipients is somewhat more mixed. Are they indeed better off in economic terms? What has happened to those who haven't gotten jobs? It is still very early to answer those questions, but we have some preliminary data that give a few indications.

Our preliminary data generally relate to the situations found in specific states. Thus, this report draws upon preliminary program evaluation reports of waiver-based policies from Michigan, Iowa, Minnesota, Delaware, and Florida, and on surveys of welfare recipients and people who have left welfare rolls in Massachusetts, Iowa, Wisconsin, Indiana, Maryland, South Carolina and Tennessee. The early stories emerging from these studies appear to be fairly consistent across those states. Although we are beginning to have some evaluation evidence on the impacts of policy changes as opposed to the strong economy, it is very difficult to sort out the relative importance of policy and economic factors at the National level.

Sanctions. States are generally working harder to enforce mandatory work requirements, and sanctions rose by about 30 percent nationally between 1994 and the end of 1996. Anecdotal evidence implies that these rates are still increasing. In the studies of specific States, sanction

rates of as high as 50 percent are seen, with rates in the 25 percent to 30 percent range not unusual. Sanctions may result in either a complete or partial loss of benefits. Across States we find that the majority of sanctions occur because recipients fail to show up for initial appointments. Far fewer families have been sanctioned for refusal to comply with work assignments. Sanctioned families may include many who are already working or who have good job opportunities; in Iowa, for example, families that did not comply with the State's Family Investment Plan tended to be more job-ready than the average.

Employment. Perhaps partly because of stricter work policies as well as the robust economy, more recipients and former recipients are now employed. Evaluations of specific State programs show policy-related increases in employment in the range of 8 percent to 15 percentage points. Surveys of people who have left welfare imply that 50 percent to 60 percent are working in the period following welfare recipiency (with the remainder not employed). This is comparable to or slightly higher than the 45 percent to 50 percent of welfare exiters who worked after leaving AFDC. Some of this increase in work may result from the strong economy as well as from policy changes.

Incomes. While there do not appear to be dramatic changes so far in the average incomes of welfare recipients and those leaving the welfare rolls, these averages hide a great deal of variation. Among those leaving the program, incomes in the follow up period are very mixed. Generally, about half of former recipients saw increases in their incomes, while half experienced declines. There is some evidence that those who leave the program voluntarily are more likely to have increased incomes, although in both South Carolina and Iowa about 40 percent of those who left because of sanctions also experienced income increases.

There is little evidence at this point of extreme hardship even among families losing benefits altogether as a result of sanctions or time limits. However, events such as homelessness or entry of children into foster care are sometimes hard to observe in evaluations and follow up studies, which are usually unable to trace some proportion of former recipients. In the short run, many families experiencing large income losses appear to rely on help from friends and extended family. It should be noted also that even families whose incomes rise as a result of higher earnings and/or changes in State policies typically still do not have above-poverty level incomes while on TANF or in the period immediately after leaving the program.

Other Benefits. Families who leave TANF are often eligible to continue receiving benefits from other social support programs such as the Food Stamp Program, Medicaid, Supplemental Security Income (SSI) and housing programs. However, relatively low take-up rates for some of these benefits suggest that many former recipients may be unaware of their continued eligibility for other programs such as Medicaid, or that administrative barriers may be preventing some eligible families from participating in these programs. In both South Carolina and Indiana, for example, about half of the adults who were no longer receiving cash assistance reported that they did not have any health insurance.

Policy Implications and Next Steps: Supporting Low-Income Workers

These early results suggest that real progress is being made in focusing recipients on work and in moving them into employment. This is a significant and critical step on the path to reforming welfare. I believe that further steps need to be taken to consolidate and build on this accomplishment. In particular, we need to ensure that low-income working families, whether they are former welfare recipients or not, can continue to work and to earn enough to raise their families, weathering unemployment and other temporary setbacks without relying on long-term welfare receipt. In pursuing this goal, we would be building on the Administration's many achievements for working families, including expansion of the EITC, increasing the minimum wage, expanding health care coverage for children, enacting parental leave, and the introduction of this year's pathbreaking child care initiative. And we would also be building on the widespread and increasing interest of the States, which are starting to grapple with the question of what happens after welfare parents take their first jobs.

Both researchers and practitioners are telling us that when such parents move to work, most are likely to need continuing support in order to keep their jobs, support their families, improve their incomes over time, and avoid going back onto the welfare rolls. These supports can take many forms, from the EITC or increased earnings disregards to services such as child care, health care, transportation and mentoring. Currently, States have resources available to them through the TANF block grant and their Maintenance of Effort funds, as well as through other State resources that have been freed up as a result of declining caseloads. We can make progress on this agenda by challenging States to make key investments, showcasing effective practices and encouraging State innovation as well as by shaping a National agenda to help low-wage workers and their families.

A successful strategy to support low-income workers and their families would involve several components at both the State and National levels. These could include:

1. Raising the incomes of low-wage workers. Most welfare recipients moving into their first jobs continue to earn below-poverty level incomes. The major 1993 expansion of the EITC does a great deal for these families, and it must be protected. In addition, we could challenge States to expand State EITC's and to increase earnings disregards and other programs for low-wage workers. For example, Wisconsin has used TANF MOE funds to expand both its EITC and housing subsidies for low-income owners and renters. At the National level, policies such as a further increase in the minimum wage or tax incentives for employers to promote jobs and higher wages for low-skilled workers could be explored.

2. Providing other job supports. We must ensure that other critical job supports, such as health care, child care, transportation, and mentoring, are available for working families who need them. The Administration's new child care initiative is of course critical to this strategy, and the newly enacted Child Health Insurance Program should go a long way toward ensuring health care coverage for the children of low-wage workers. We need to

continue outreach efforts to make sure that low-income working families are aware of their potential eligibility for Medicaid. The Vice President's work on mentoring provides a valuable example, and States must be encouraged to continue to invest in these programs and other supports.

3. Ensuring that low-wage workers improve skills and earnings over time. Many States are beginning to grapple with the best way to promote growth in skills and earnings over time for former welfare recipients. Over the longer term, such growth will be necessary to meet both the needs of families and the needs of the economy as a whole. We should be challenging States to put together creative strategies and showcasing those that do. These strategies can involve linkages among workforce development, higher education, and welfare systems, as well as work with specific private employers. At the National level, strategies to increase educational opportunities for low-income families are a key to increasing skills and earnings over time.

4. Maintaining the safety net for workers. If a temporary setback is not to result in a return to welfare dependency, the safety net for low-wage workers must be maintained. At the National level, changes could be made in the Unemployment Insurance program to increase the probability that low-wage workers will earn coverage, as is now being discussed within the Administration. At the State level, we should showcase States that are implementing post-employment services and other strategies to address the fact that low-income workers are likely to experience considerable job turnover and some periods of unemployment. We should challenge States to invest in approaches that combine reliable short-term assistance with rapid re-employment help.

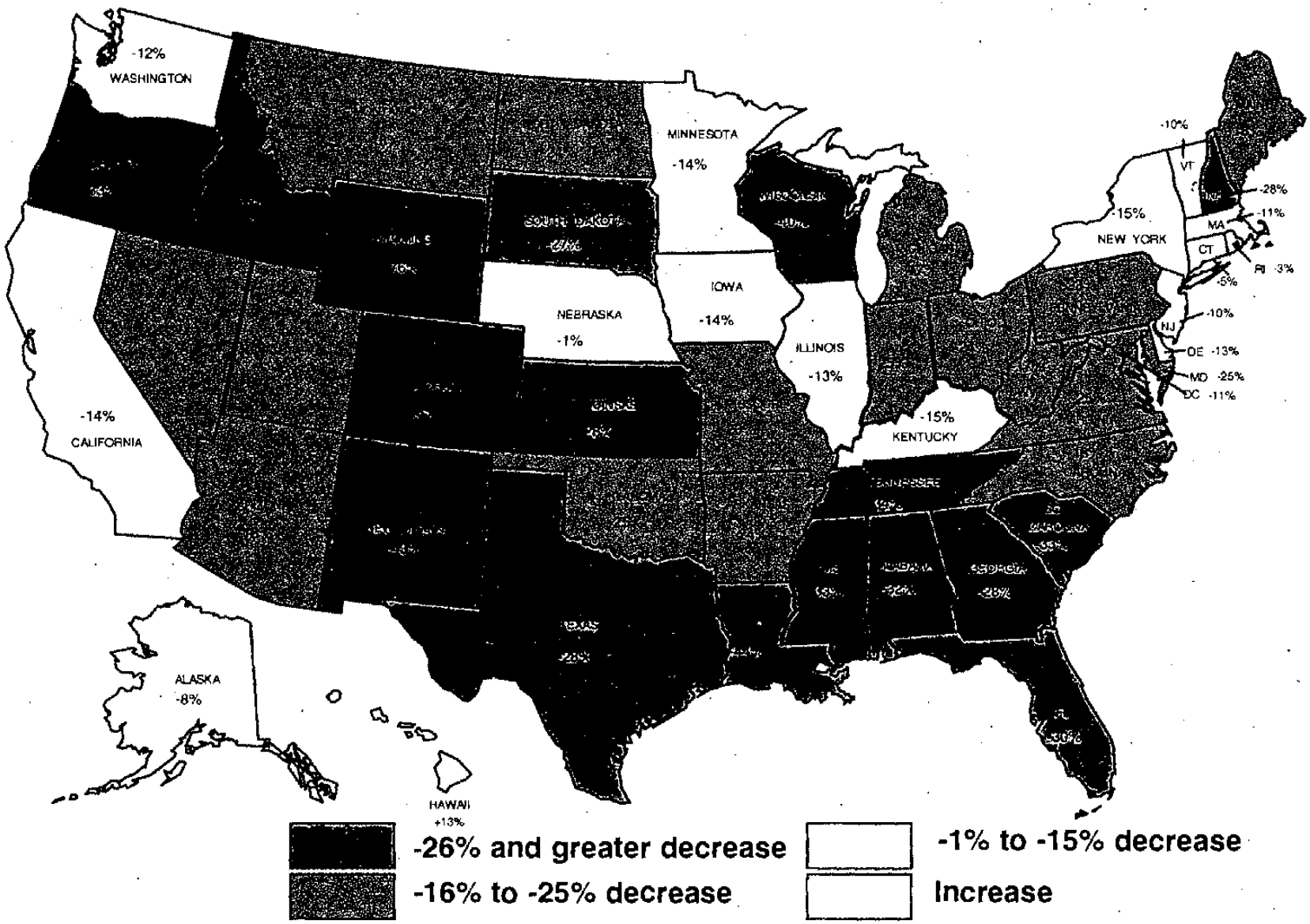
In summary, we must build upon and continue our efforts on behalf of low income workers. I look forward to further discussions with you regarding these important issues. Please let me know if you would like a briefing or further information.

Donna E. Shalala

Attachments

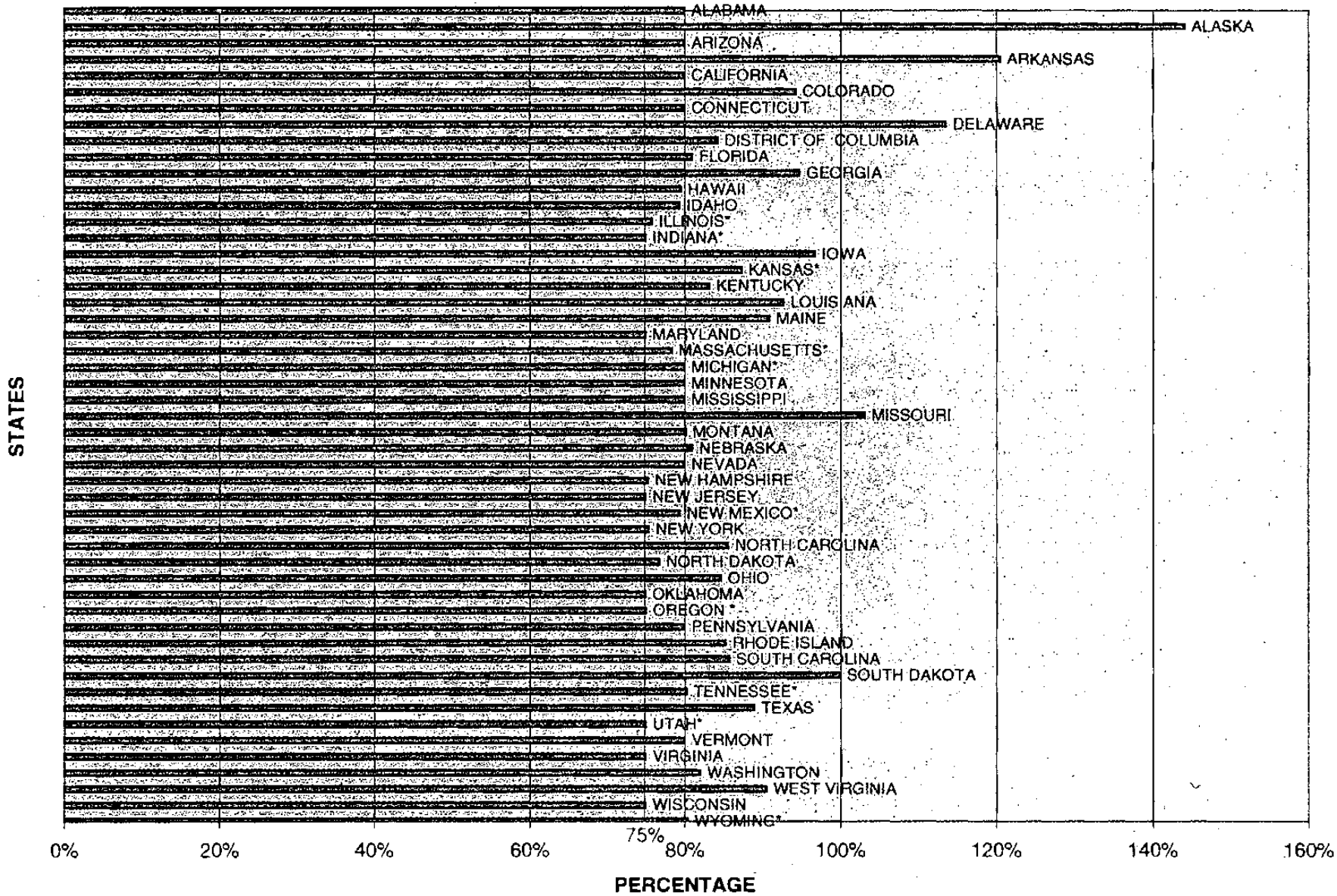
Chart 1: RECIPIENT COUNT DOWN 2.4 MILLION SINCE ENACTMENT OF NEW WELFARE LAW

(August 1996-September 1997)



1/28/98

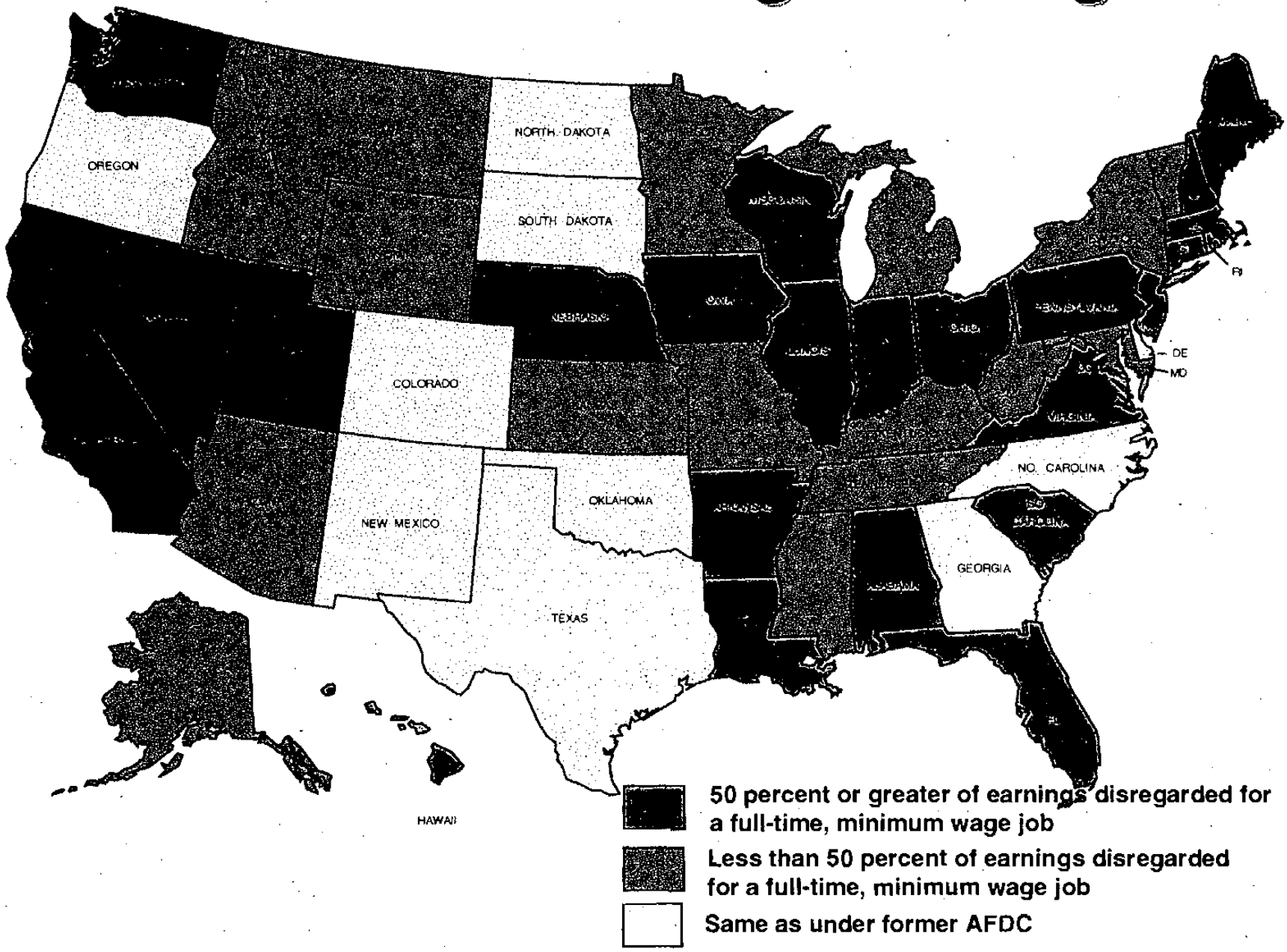
TANF PROGRAM
Chart 2: EXPENDITURE OF STATE FUNDS IN FY 1997 AS % OF MOE



Data as of January 23, 1998

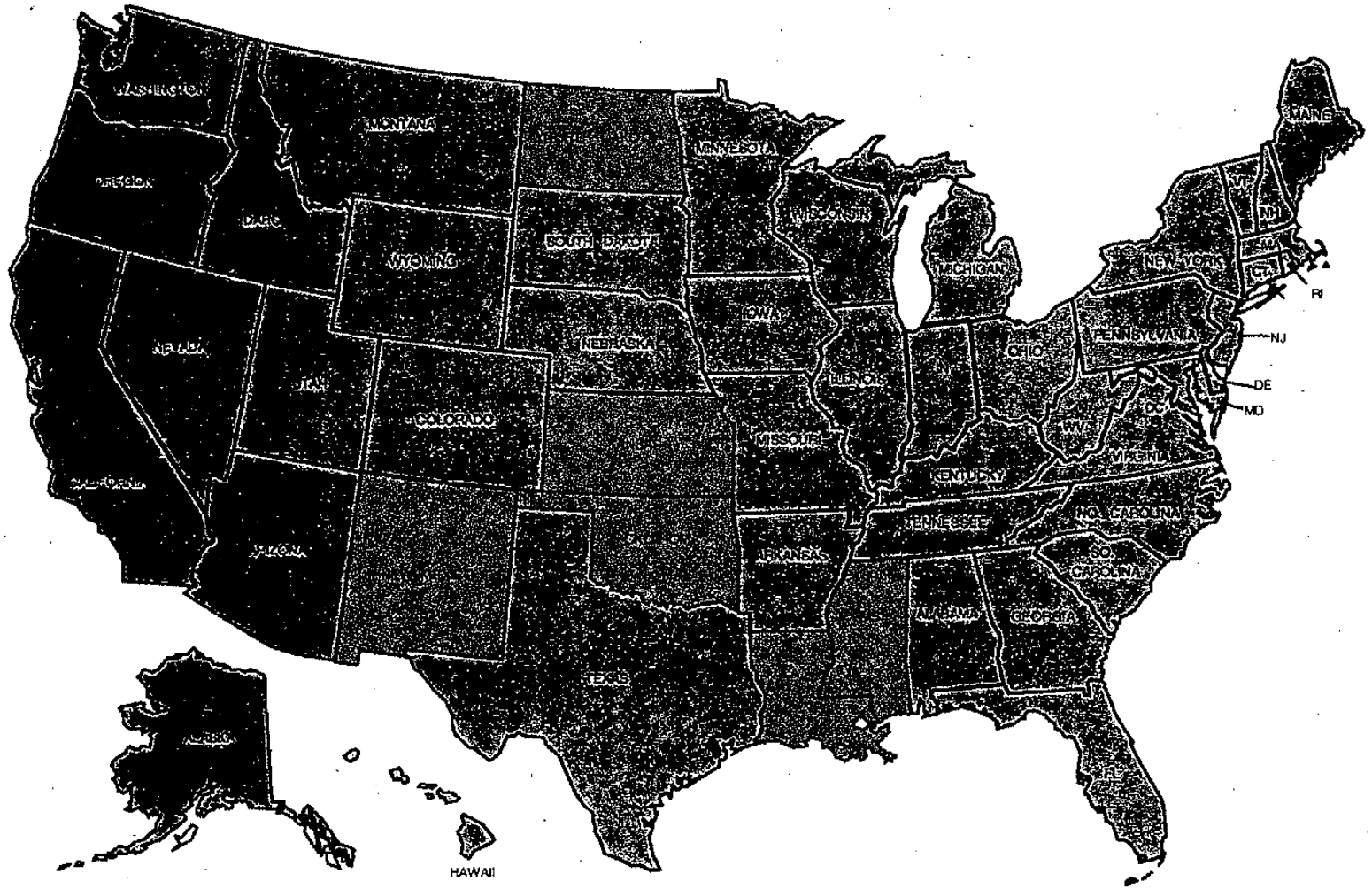
Chart prepared by U.S. Dept. of Health and Human Services
Administration for Children and Families

Chart 3: Earnings Disregards



1/28/98

Chart 4: Increased Resource/Vehicle Limit

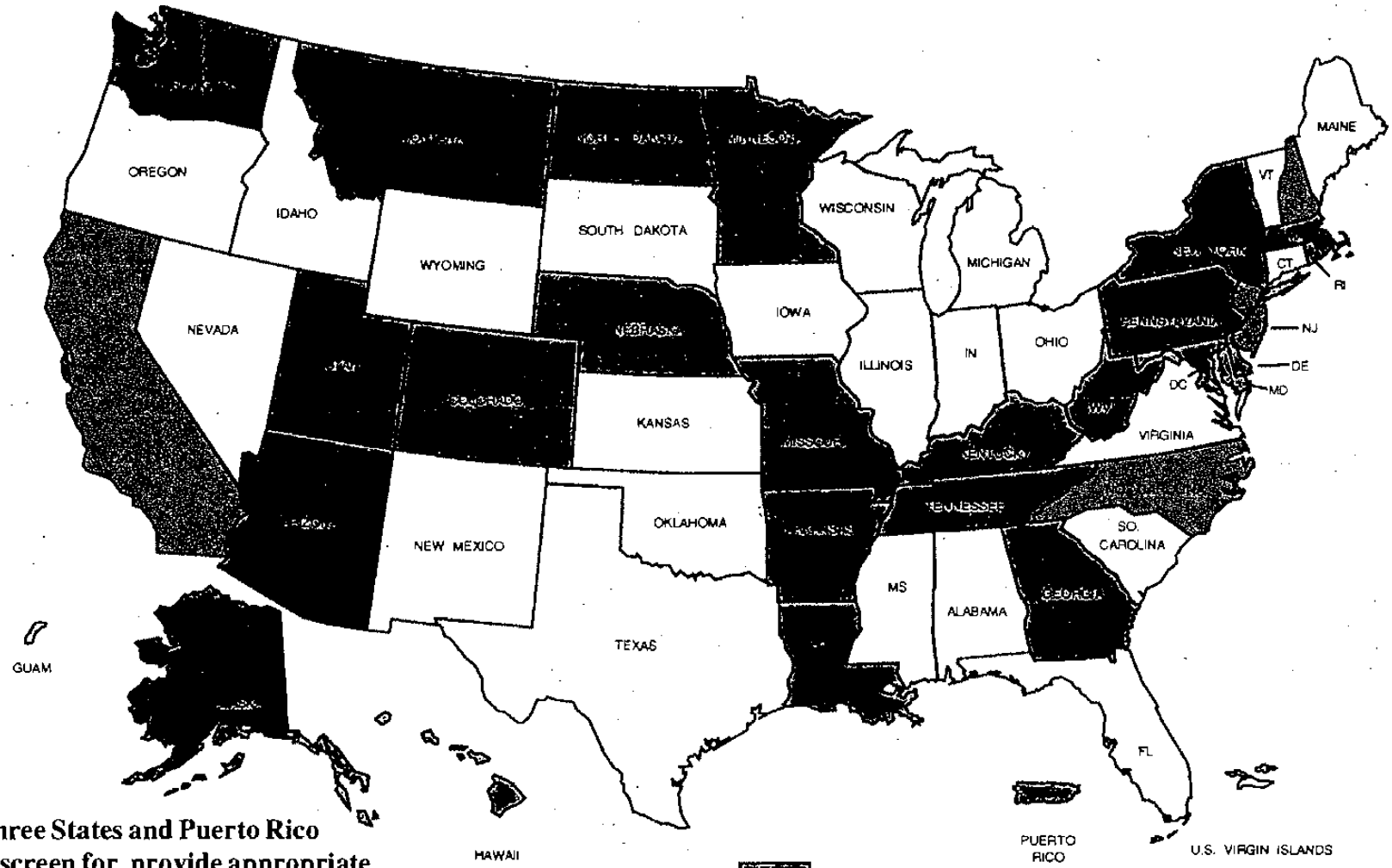


Increased resource and/or vehicle limit

As under former AFDC program

1/28/98

Chart 5: States Selecting Family Violence Option



Twenty-three States and Puerto Rico elected to screen for, provide appropriate services, and waive requirements where needed to ensure safety.

Optional Certification

Developing Standards

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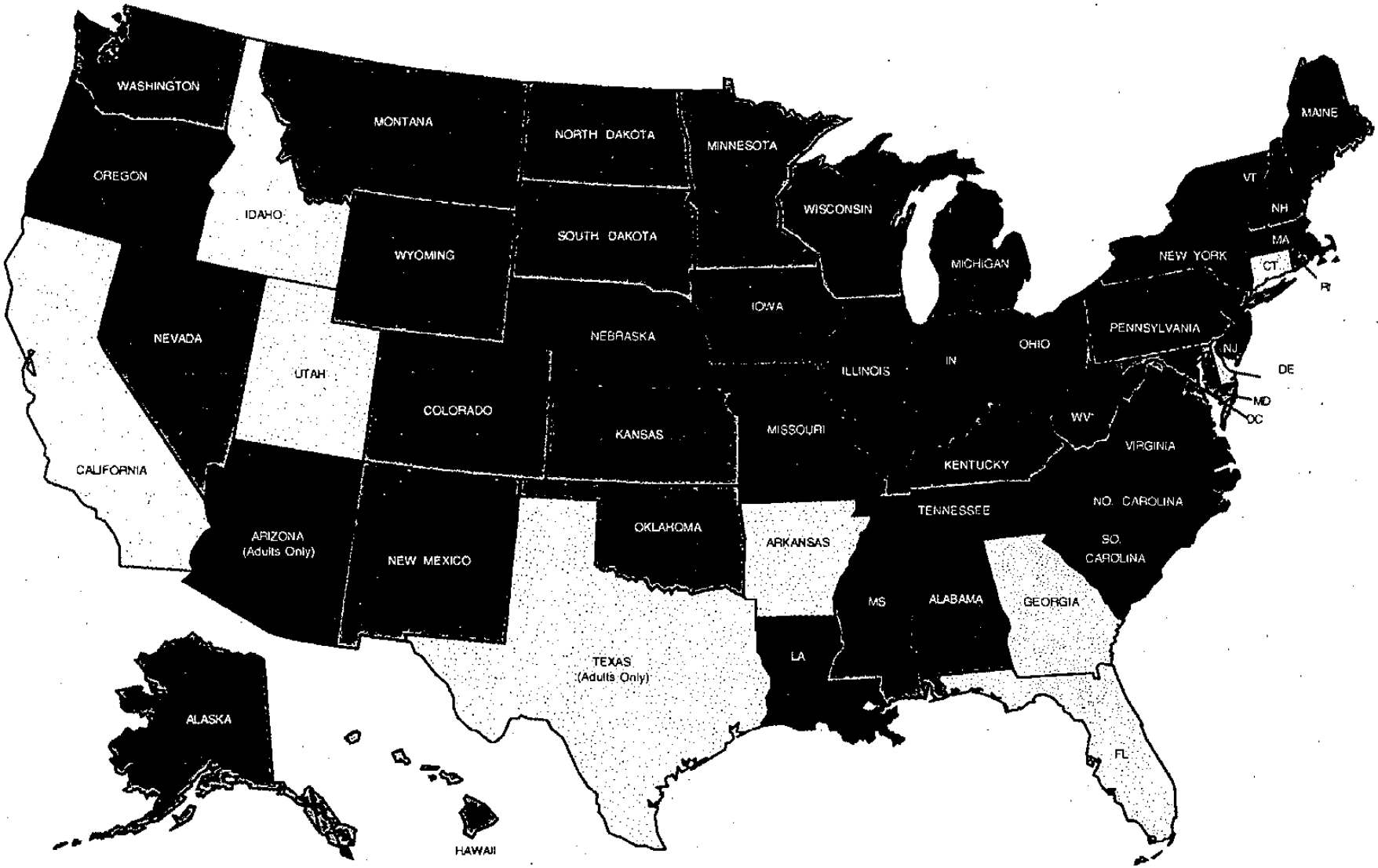
Chart 6: Age of Youngest Child Exemption from Work Requirement

12 months old

Younger than 12 months old

1/28/98

Chart 7: Time Limit Choices



60 months | Intermittent with 60 month lifetime | Less than 60 months | Other

1/28/98

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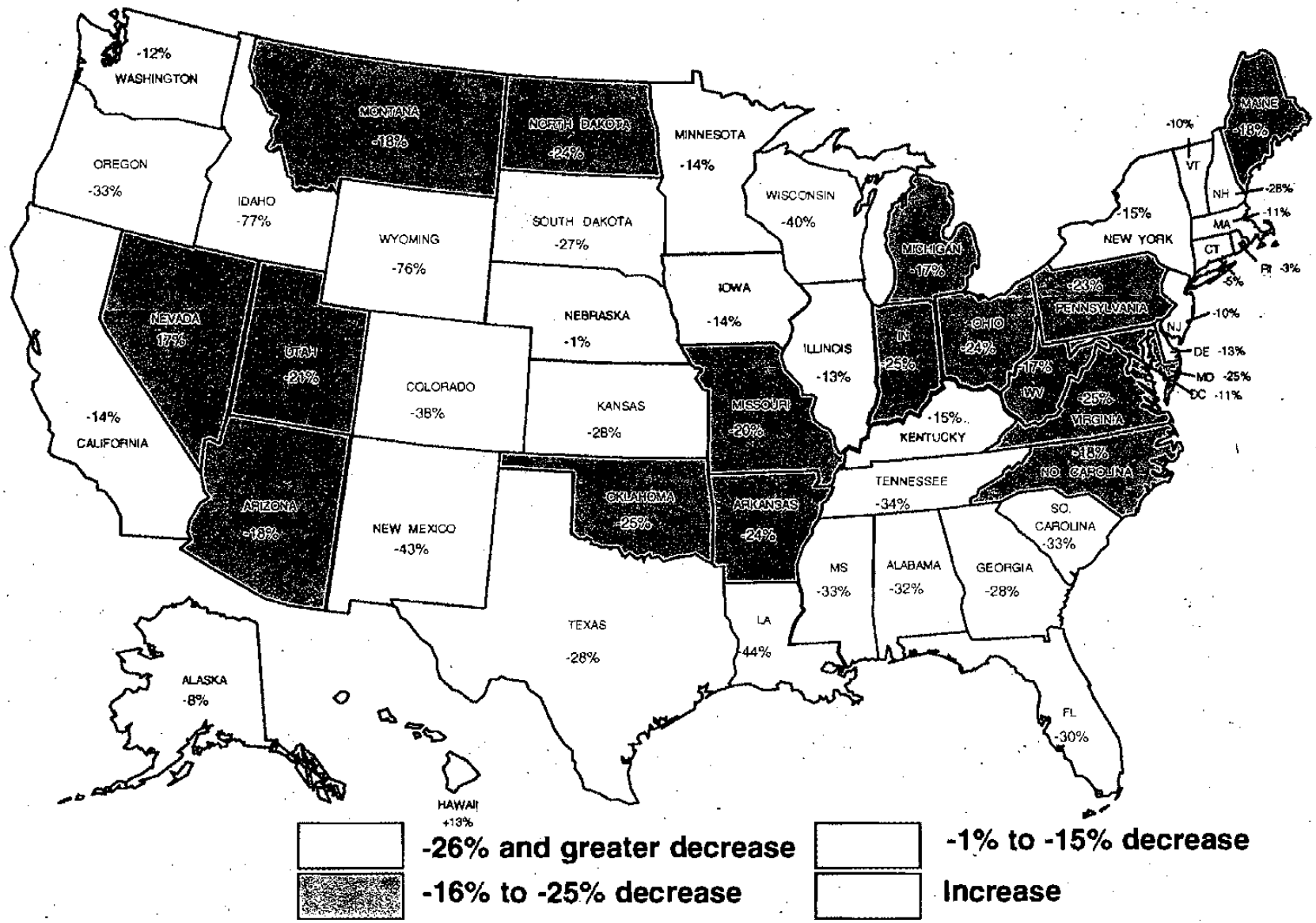

-26% and greater decrease

-16% to -25% decrease

-1% to -15% decrease

Increase

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TANF PROGRAM

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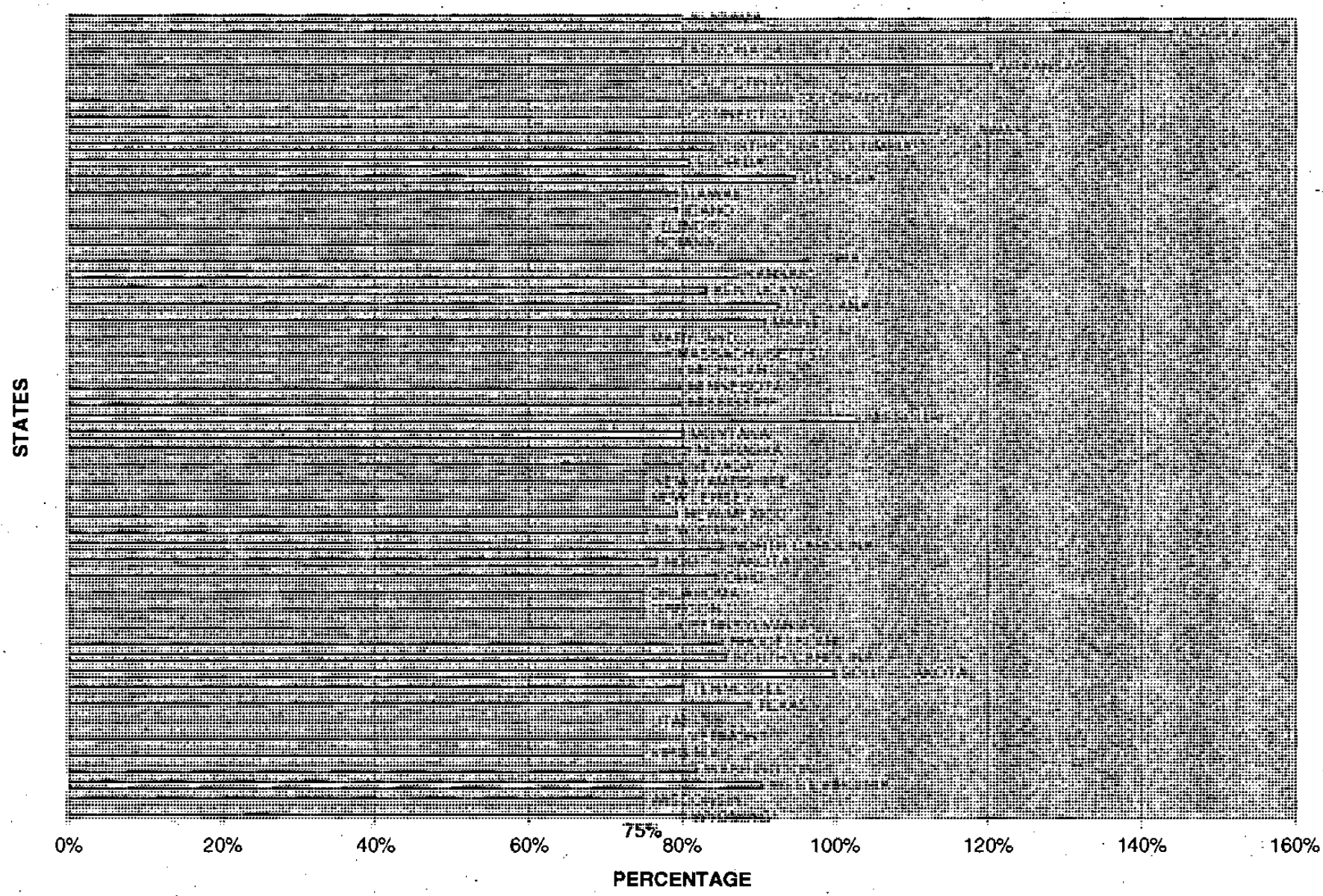

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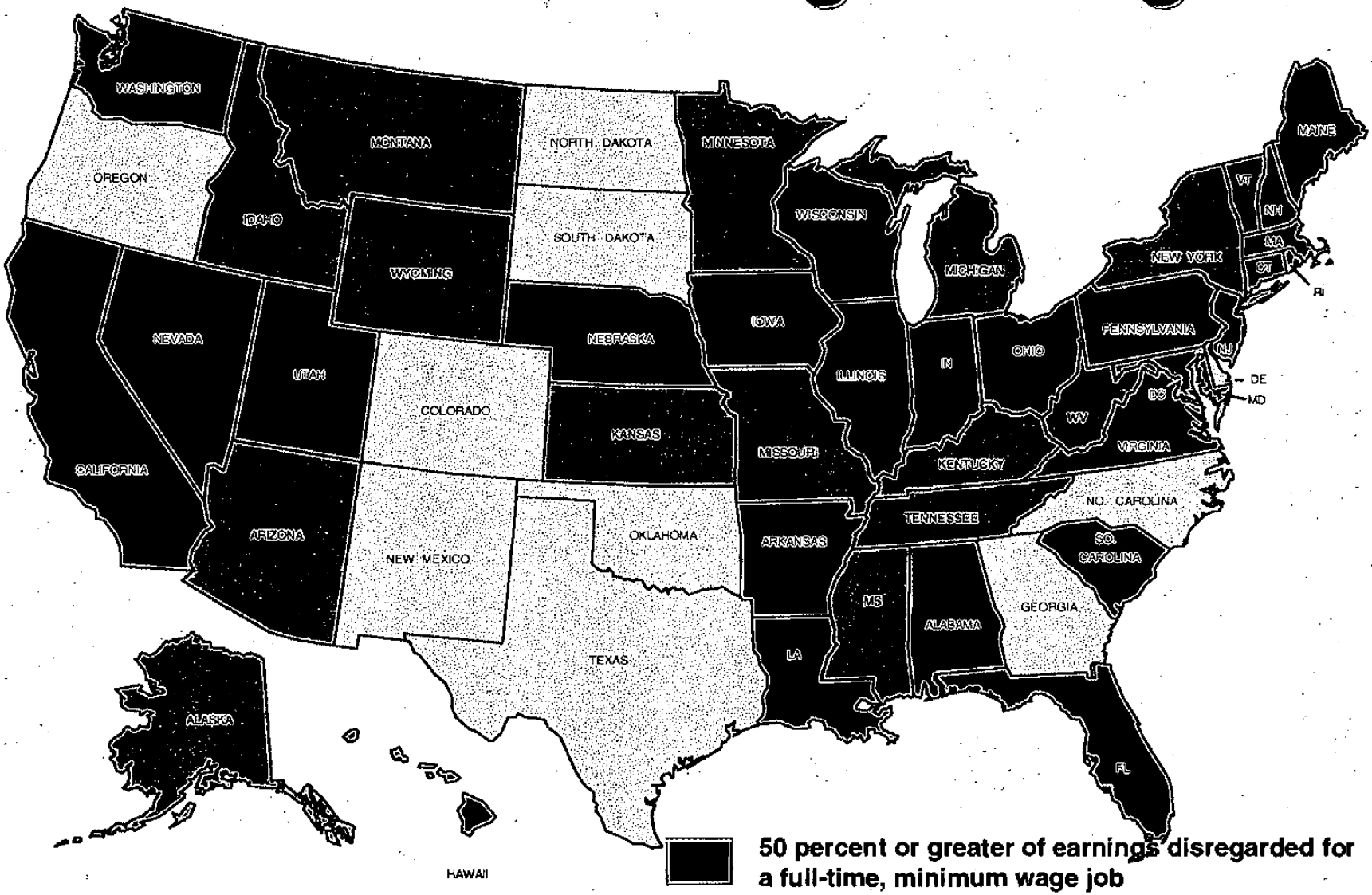


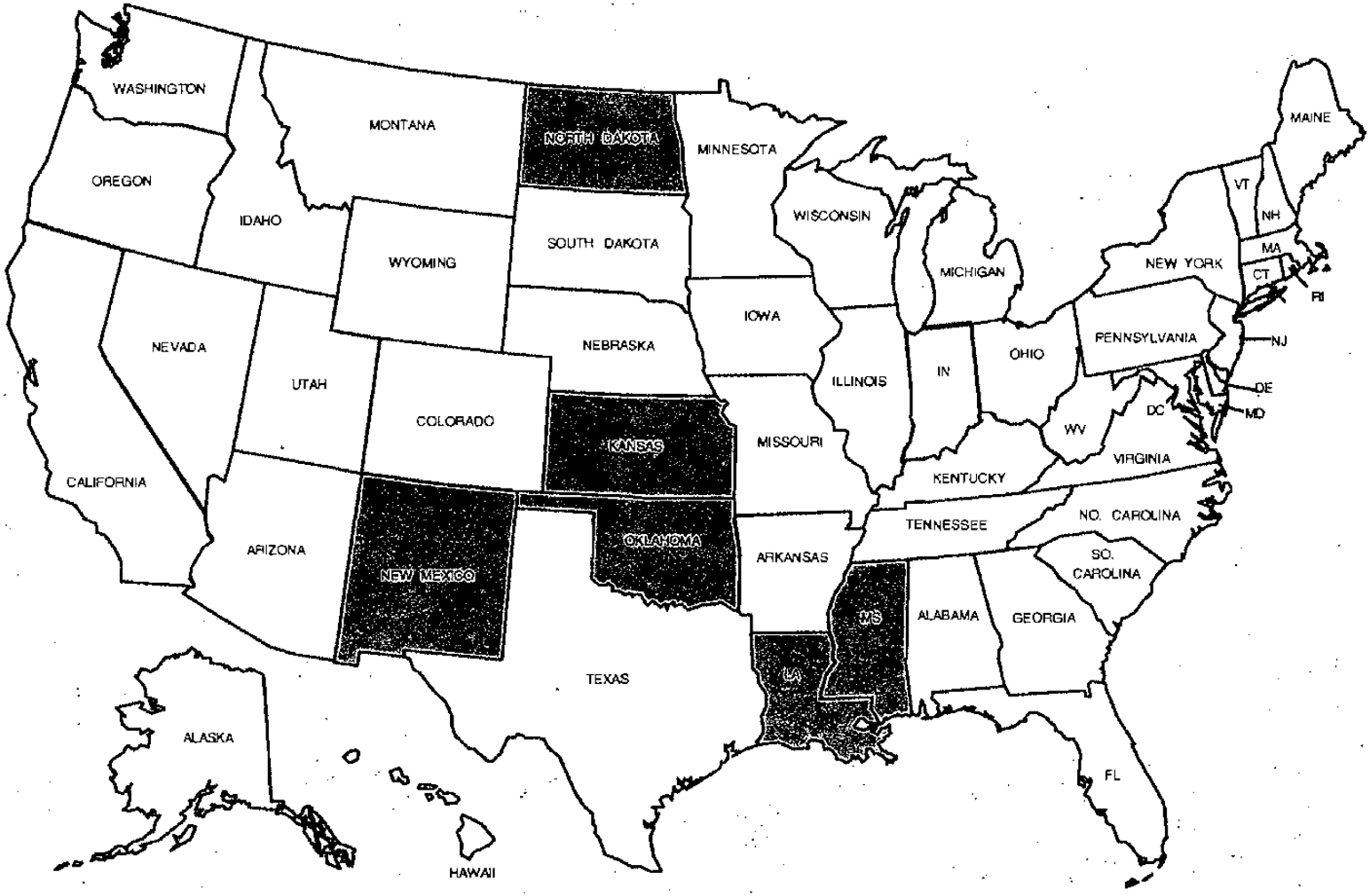
50 percent or greater of earnings disregarded for a full-time, minimum wage job

Less than 50 percent of earnings disregarded for a full-time, minimum wage job

Same as under former AFDC

1/28/98

Chart 4: Increased Resource/Vehicle Limit



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As under former AFDC program

1/28/98

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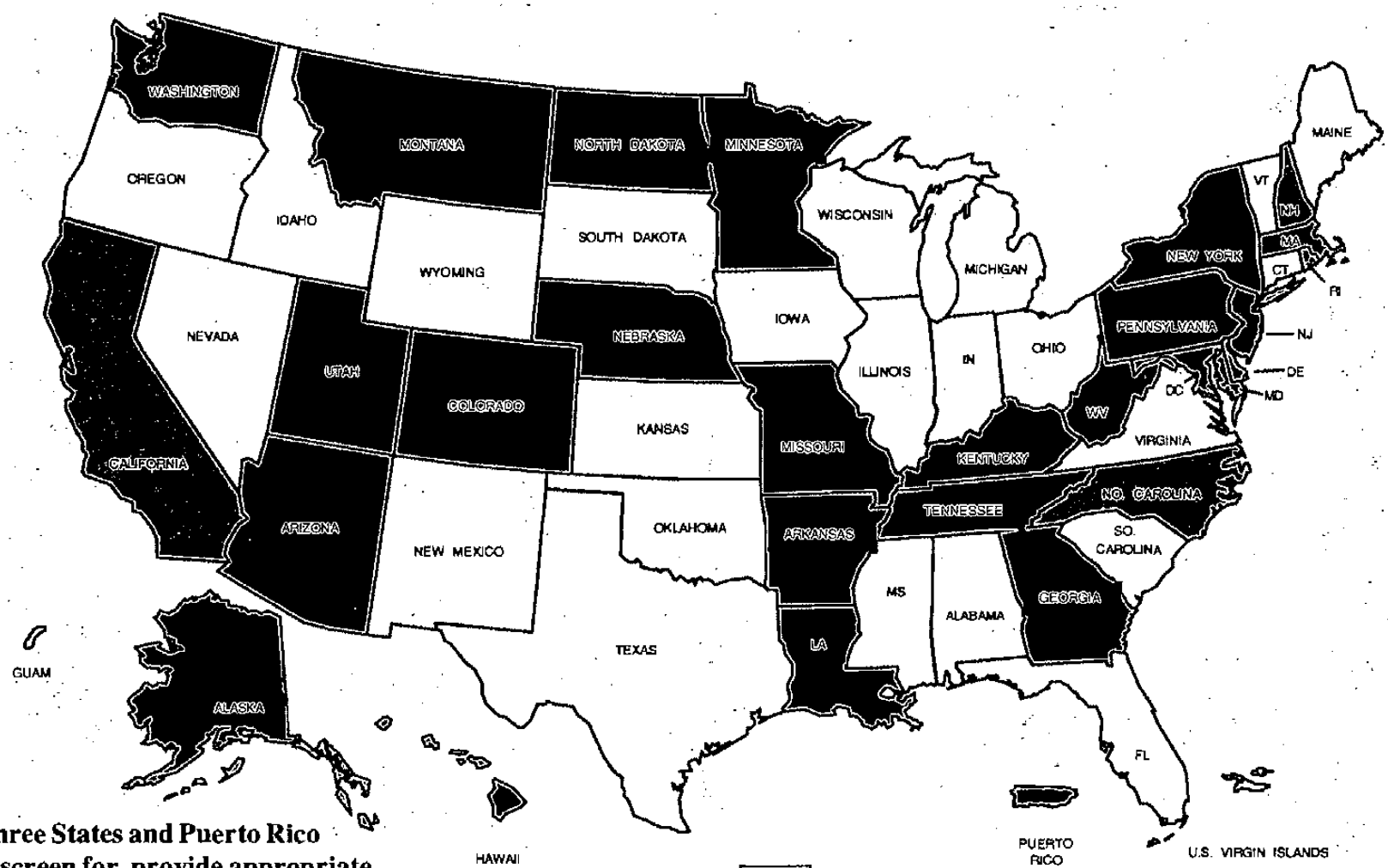

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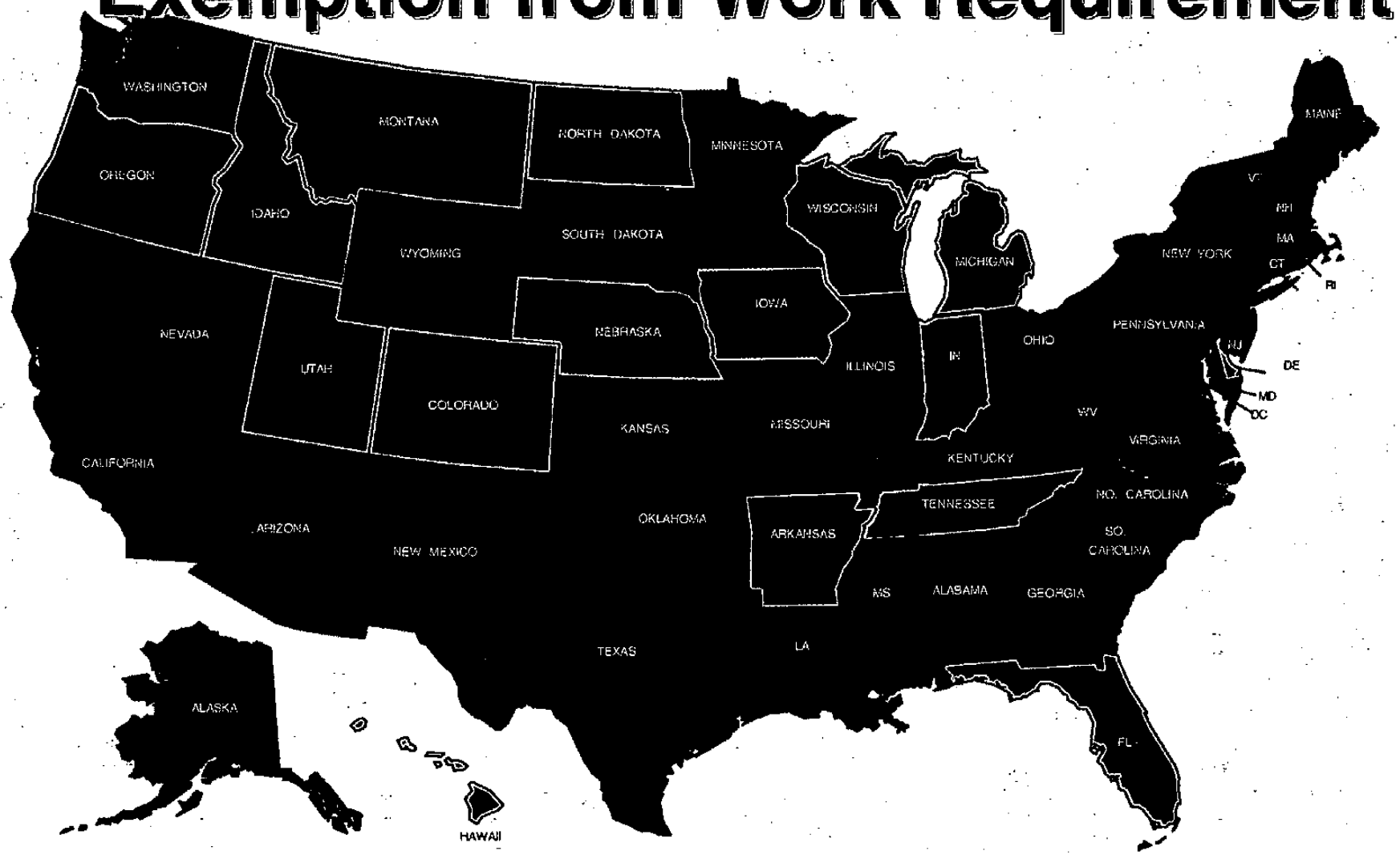
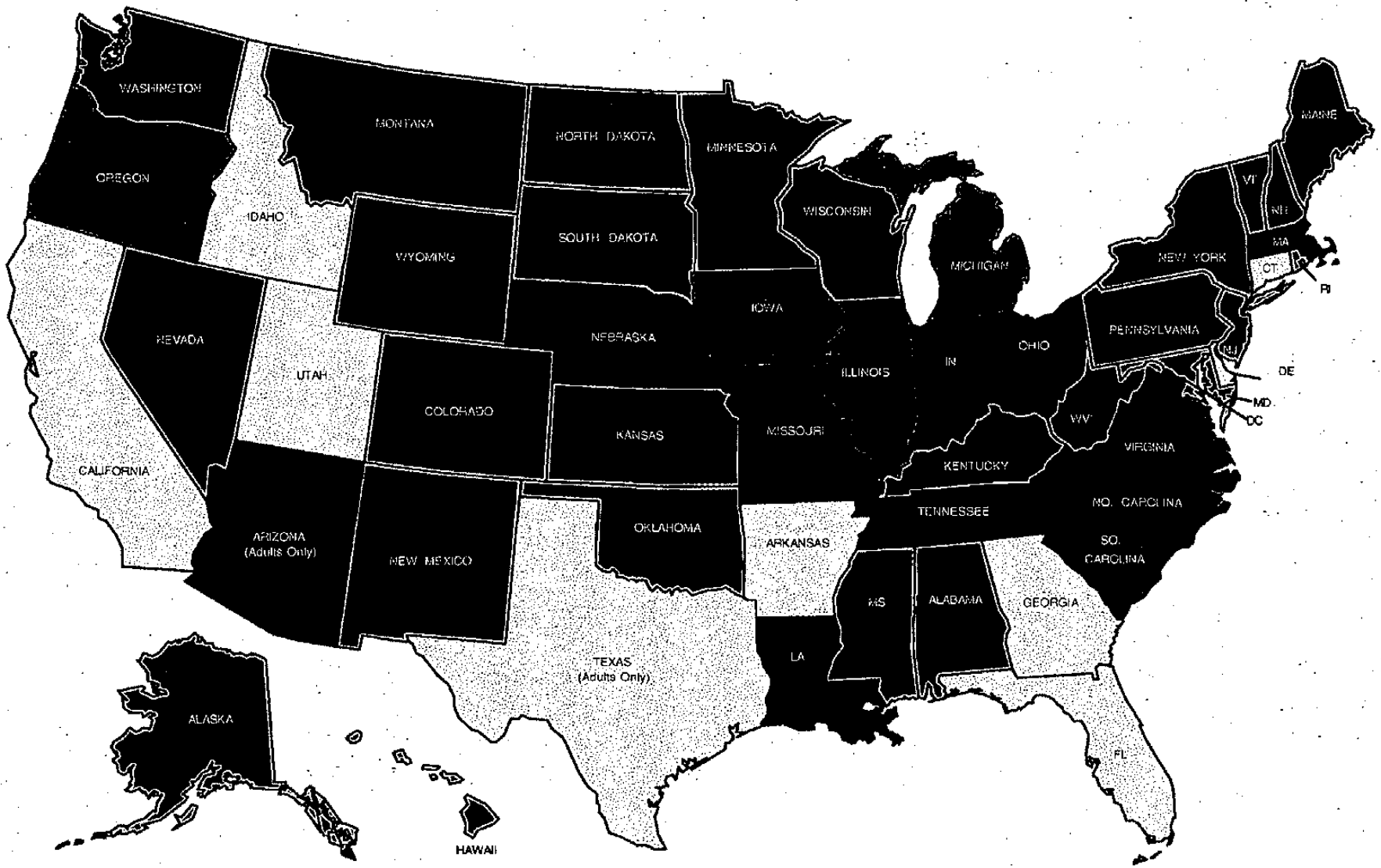


12 months old

Younger than 12 months old

1/28/98

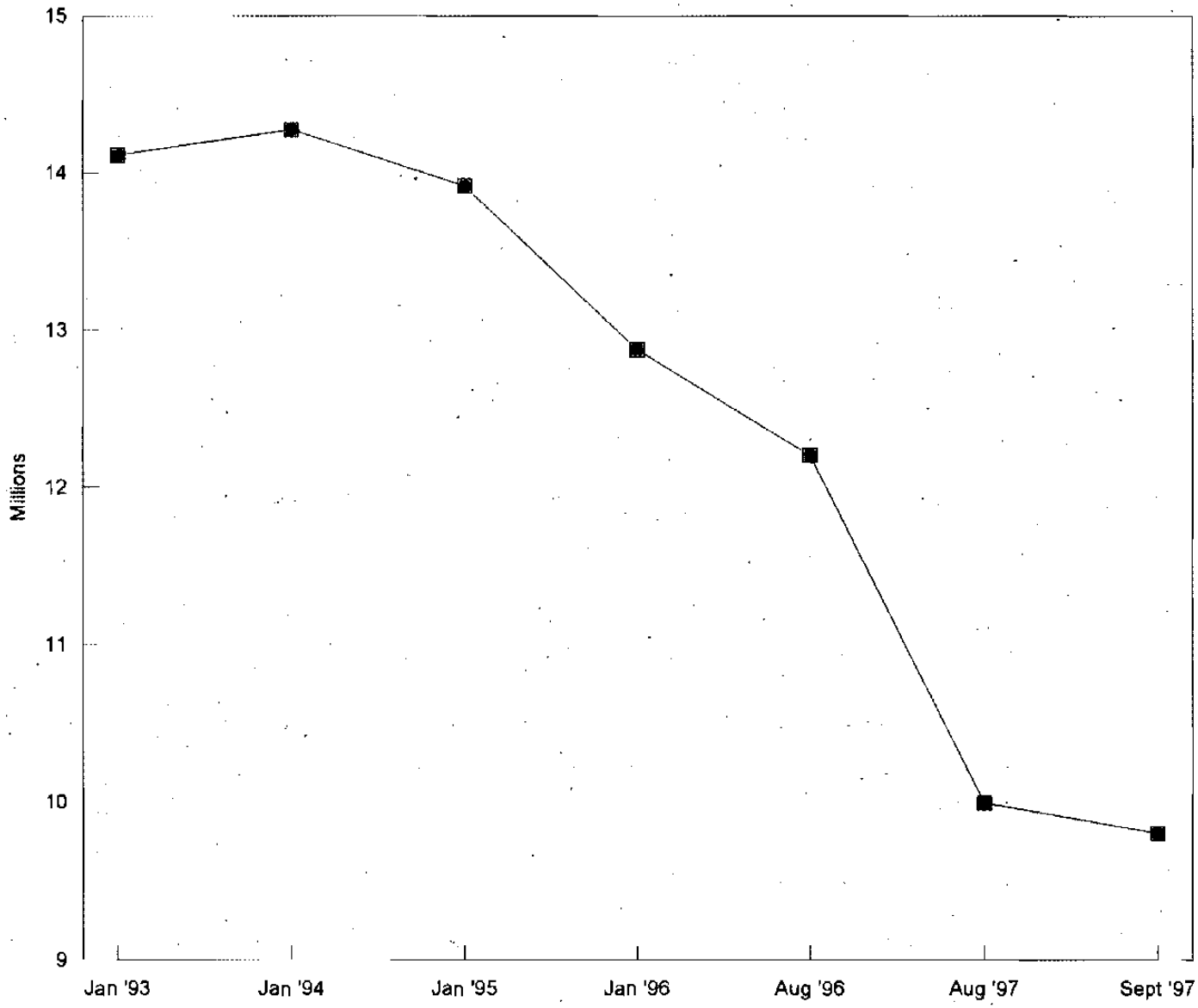
Chart 7: Time Limit Choices



60 months | Intermittent with 60 month lifetime | Less than 60 months | Other

1/28/98

Welfare Caseloads in the Clinton Administration



Source: U.S. Department of Health and Human Services

Temporary Assistance for Needy Families (TANF)
Source: HHS Administration for Children and Families
1936-1997

WR - Caseloads

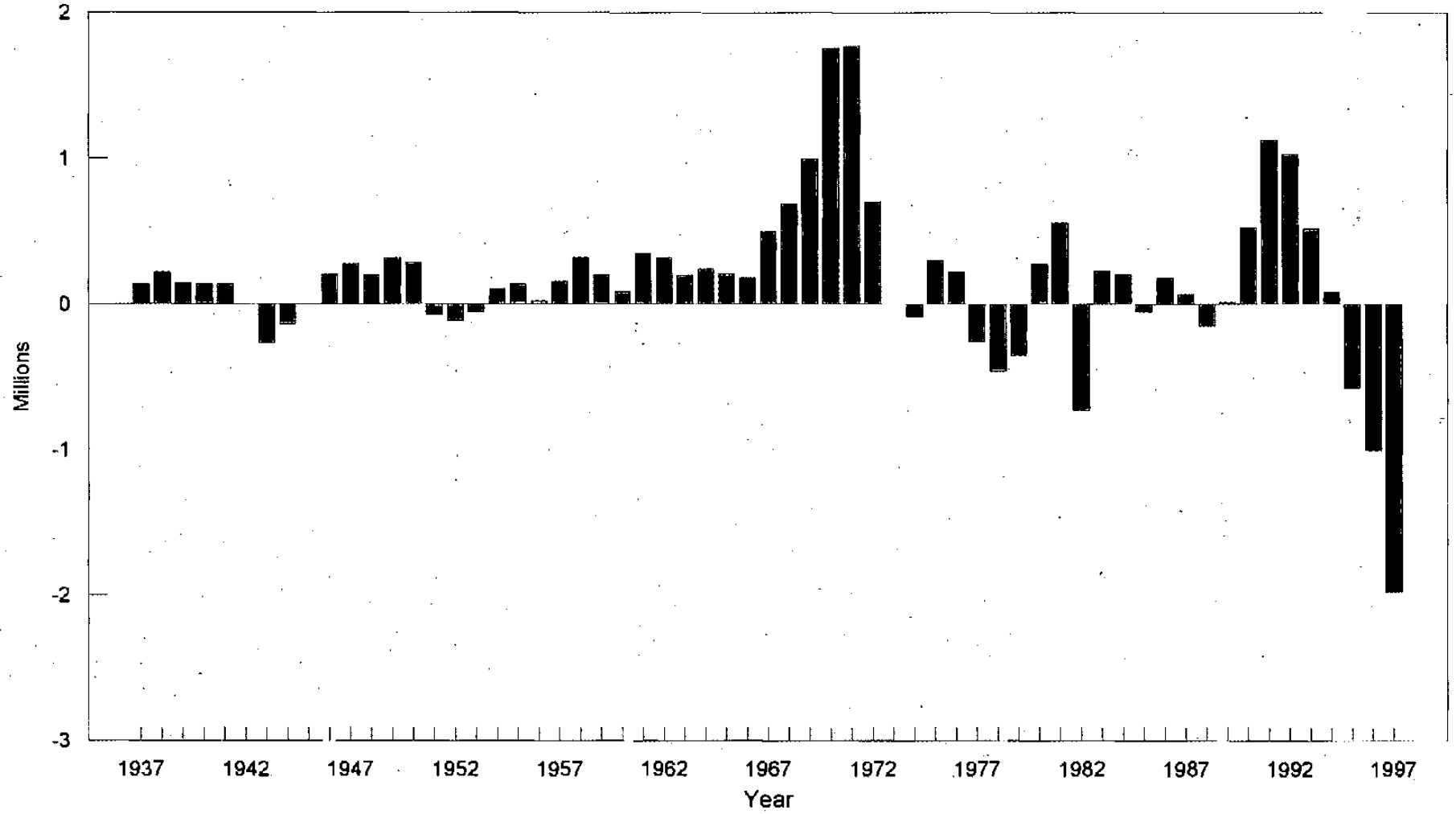
YEAR	RECIPIENTS	FAMILIES	YEARLY CHANGE IN RECIPIENTS	YEARLY CHANGE IN FAMILIES	PERCENT YEARL CHANGE IN RECIPIENTS	PERCENT YEARL CHANGE IN FAMILIES
1936	534,000	147,000				
1937	674,000	194,000	140,000	47,000	26.22%	31.97%
1938	895,000	258,000	221,000	64,000	32.79%	32.99%
1939	1,042,000	305,000	147,000	47,000	16.42%	18.22%
1940	1,182,000	349,000	140,000	44,000	13.44%	14.43%
1941	1,319,000	387,000	137,000	38,000	11.59%	10.89%
1942	1,317,000	387,000	(2,000)	0	-0.15%	0.00%
1943	1,050,000	304,000	(267,000)	(83,000)	-20.27%	-21.45%
1944	910,000	260,000	(140,000)	(44,000)	-13.33%	-14.47%
1945	907,000	259,000	(3,000)	(1,000)	-0.33%	-0.38%
1946	1,112,000	312,000	205,000	53,000	22.60%	20.46%
1947	1,394,000	393,000	282,000	81,000	25.36%	25.96%
1948	1,595,000	449,000	201,000	56,000	14.42%	14.25%
1949	1,916,000	541,000	323,000	92,000	20.25%	20.49%
1950	2,205,000	644,000	287,000	103,000	14.96%	19.04%
1951	2,134,000	621,000	(71,000)	(23,000)	-3.22%	-3.57%
1952	2,022,000	583,000	(112,000)	(38,000)	-5.25%	-6.12%
1953	1,970,000	560,000	(52,000)	(23,000)	-2.57%	-3.95%
1954	2,076,000	580,000	106,000	20,000	5.38%	3.57%
1955	2,214,000	612,000	138,000	32,000	6.65%	5.52%
1956	2,239,000	611,000	25,000	(1,000)	1.13%	-0.16%
1957	2,395,000	645,000	156,000	34,000	6.97%	5.56%
1958	2,719,000	724,000	324,000	79,000	13.53%	12.25%
1959	2,920,000	774,000	201,000	50,000	7.39%	6.91%
1960	3,005,000	787,000	85,000	13,000	2.91%	1.68%
1961	3,354,000	869,000	349,000	82,000	11.61%	10.42%
1962	3,676,000	931,000	322,000	62,000	9.60%	7.13%
1963	3,876,000	947,000	200,000	16,000	5.44%	1.72%
1964	4,118,000	992,000	242,000	45,000	6.24%	4.75%
1965	4,329,000	1,039,000	211,000	47,000	5.12%	4.74%
1966	4,513,000	1,088,000	184,000	49,000	4.25%	4.72%
1967	5,014,000	1,217,000	501,000	129,000	11.10%	11.86%
1968	5,705,000	1,410,000	691,000	193,000	13.78%	15.86%
1969	6,706,000	1,698,000	1,001,000	288,000	17.55%	20.43%
1970	8,466,000	2,208,000	1,760,000	510,000	26.25%	30.04%
1971	10,241,000	2,762,000	1,775,000	554,000	20.97%	25.09%
1972	10,947,000	3,049,000	706,000	287,000	6.89%	10.39%
1973	10,949,000	3,148,000	2,000	99,000	0.02%	3.25%
1974	10,864,000	3,230,000	(85,000)	82,000	-0.78%	2.60%
1975	11,165,185	3,498,000	301,185	268,000	2.77%	8.30%
1976	11,386,371	3,579,000	221,186	81,000	1.98%	2.32%
1977	11,129,702	3,588,000	(256,669)	9,000	-2.25%	0.25%
1978	10,671,812	3,522,000	(457,890)	(66,000)	-4.11%	-1.84%
1979	10,317,902	3,509,000	(353,910)	(13,000)	-3.32%	-0.37%
1980	10,597,445	3,642,380	279,543	133,380	2.71%	3.80%
1981	11,159,847	3,870,765	562,402	228,385	5.31%	6.27%
1982	10,430,960	3,588,781	(728,887)	(301,984)	-6.53%	-7.80%
1983	10,659,365	3,650,746	228,405	61,965	2.19%	2.30%
1984	10,865,604	3,724,864	206,239	74,118	1.93%	2.03%
1985	10,812,625	3,691,610	(52,979)	(33,254)	-0.49%	-0.89%
1986	10,996,505	3,747,531	183,880	55,921	1.70%	1.51%
1987	11,065,027	3,784,018	68,522	36,487	0.62%	0.97%
1988	10,919,696	3,747,948	(145,331)	(36,070)	-1.31%	-0.95%
1989	10,933,980	3,770,960	14,284	23,012	0.13%	0.61%
1990	11,460,382	3,974,322	526,402	203,362	4.81%	5.39%
1991	12,592,269	4,373,883	1,131,887	399,561	9.88%	10.05%
1992	13,625,342	4,768,495	1,033,073	394,612	8.20%	9.02%
1993	14,142,710	4,981,248	517,368	212,753	3.80%	4.46%
1994	14,225,591	5,046,263	82,881	65,015	0.59%	1.31%
1995	13,652,232	4,876,240	(573,359)	(170,023)	-4.03%	-3.37%
1996	12,648,859	4,553,339	(1,003,373)	**(322,901)**	-7.35%	-6.62%
1997 (through 9/97)	10,671,855		**(1,977,004)**		**-15.63%**	0.00%

Note: Prior to TANF, the cash assistance program to families was called Aid to Dependent Children (1936-1962) and Aid to Families with

Jan '97	11,360,000	
Feb '97	11,262,000	
Mar '97	11,156,000	
April '97	10,969,000	
May '97	10,748,000	
June '97	10,494,000	
July '97	10,258,000	
Aug '97	9,995,318	
Sept '97	9,804,373	
Aver monthly	10,671,855	
Jan '93	14,115,000	
Jan '94	14,276,000	
Jan '95	13,918,000	
Jan '96	12,877,000	
Aug '96	12,202,000	
Aug '97	9,995,318	
Sept '97	9,804,373	
Drop from 8/96-8/9	**(2,206,682)**	
% Drop	**-18.08%**	
Sept '96	12,003,000	
Drop from 9/96-9/9	**(2,198,627)**	
% Drop	**-18.32%**	
Drop from 1/93-8/9	**(1,913,000)**	
Drop from 1/93-9/9	**(2,112,000)**	2,112,000
Drop from 8/96-9/9	**(2,198,627)**	2,198,627
Drop from 1/93-9/9	**(4,310,627)**	

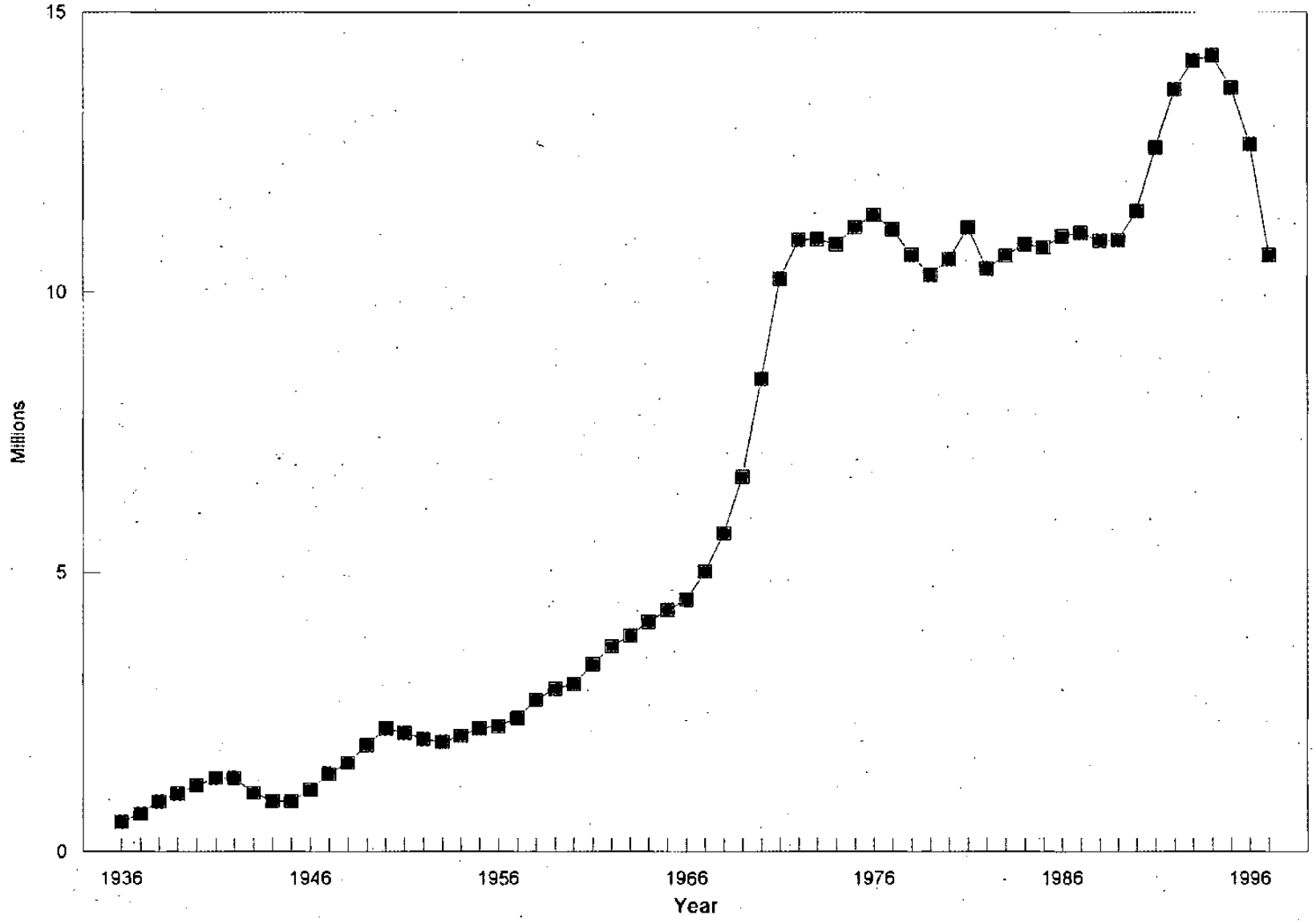
Change in Welfare Caseloads

1936-1997



Source: U.S. Department of Health and Human Services
1997 data is for January - September. Based on comparison of average monthly data for each year.

Welfare Caseloads, 1936-1997



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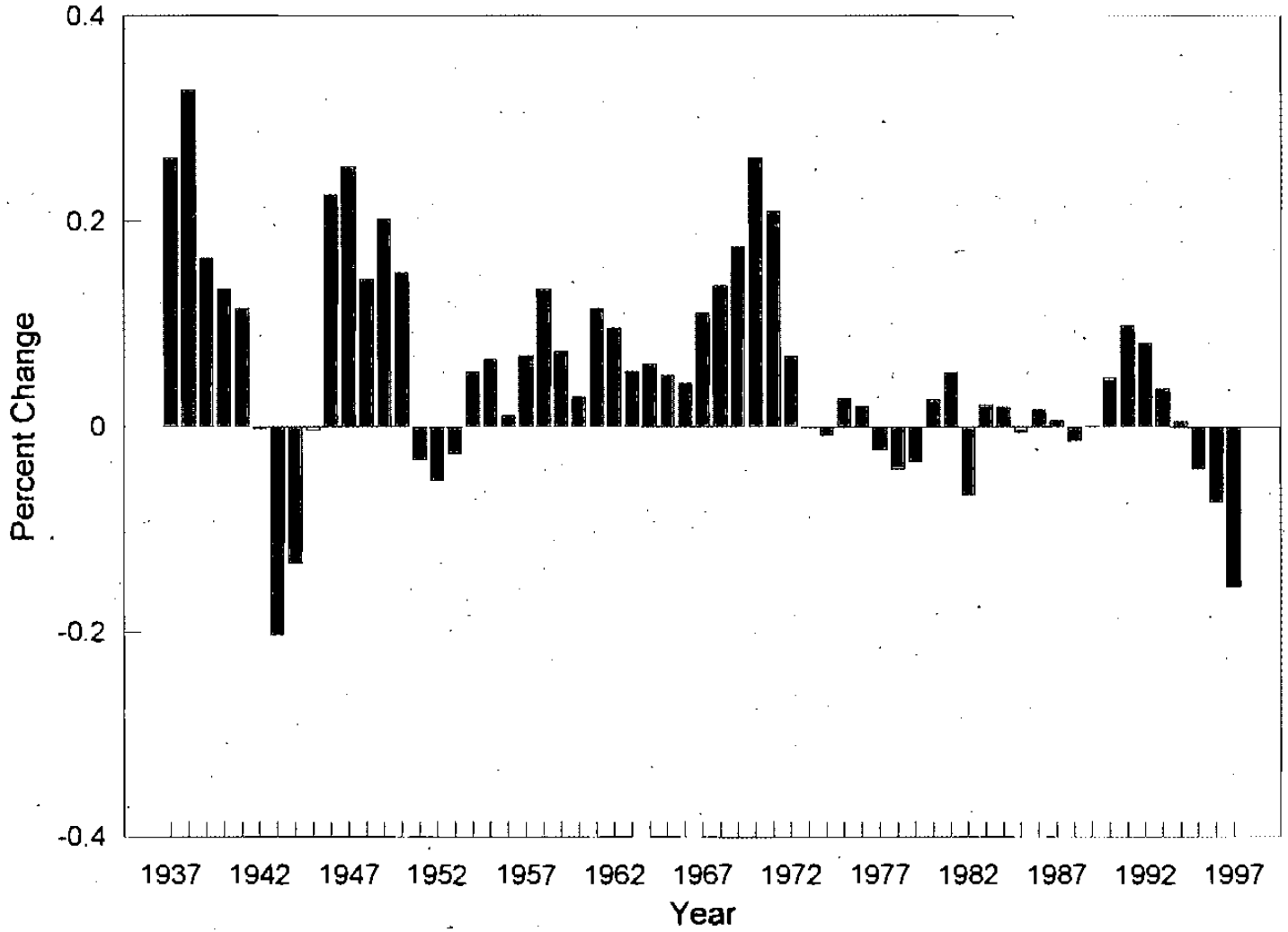
Percent Change in Welfare Caseloads

1936-1997



Source: U.S. Department of Health and Human Services
1997 data are through September. Based on comparison of average monthly data for each year.

Draft: 8:00 am 1/21/98

Welfare Caseloads and Welfare to Work Housing Vouchers

January 21, 1998

Internal Questions & Answers

Welfare Caseloads

1. Today The New York Times reported that welfare caseloads have fallen below 10 million--is this story correct?

Yes, we have more evidence that welfare reform is working -- the number of Americans on welfare has fallen below 10 million people for the first time since February 1971. The new numbers, from August 1997, show the rolls declined by 2.2 million in the year following the President's signing of welfare reform into law, for a drop of 4.1 million, or 29 percent, since the President took office. Since 1993, 49 out of 50 states have lowered their welfare rolls -- 22 states by 40 percent or more. This is the largest caseload decline in history: in no other comparable time period have as many people come off the welfare rolls.

[Note: in addition to these August 1997 numbers, we are holding for release at a later time September 1997 numbers which were in our weekly memo to the President, which show a 4.3 million or 30 percent drop since January 1993.]

2. Even with the good economy, some people are concerned that there won't be enough jobs for all the welfare recipients who need work. Is the President concerned about this issue?

Right now, the nation's jobless rate is at its lowest level in a generation. We've created more than 14 million jobs since this Administration took office -- 370,000 in December alone -- more than enough jobs for all the individuals leaving welfare.

But to make sure there will be enough jobs in every area of the country, the President fought for and won a $3 billion welfare-to-work fund in the Balanced Budget Act targeted specifically to high unemployment and high poverty areas where jobs may be scarce. He has also challenged companies all across the nation to hire welfare recipients -- over 2,500 have agreed so far -- and have committed the federal government to hire its fair share of workers from the welfare rolls.

[Note: The economy created 370,000 new jobs in December, about six times the approximately 60,000 adults who leave welfare each month (each adult leaving welfare typically brings two children off the rolls, for a monthly decline of roughly 180,000 people).]

3. The President has said "We know now that welfare reform works." Can you tell us why he says so? Although the welfare rolls have gone down, isn't that due to the economy and harsh new rules like time limits?

Welfare caseloads are the best measure we have right now of the success of welfare reform. The President asked the Council of Economic Advisors to look at the role of the economy in reducing the welfare rolls, and they attributed about 40 percent of the decline to the strong economic growth, about one-third to the welfare reform waivers we granted, and the rest to other factors -- such as our decisions to increase the Earned Income Tax Credit, strengthen child support enforcement, and increase funding for child care.

Not enough time has passed for full scale research studies to be completed to tell us what recipients are doing once they leave the rolls, but we do know that almost all have left the rolls voluntarily, since very few time limits of any kind have gone into effect yet. Preliminary studies show that most people are leaving welfare for work, and I think even welfare reform critics have been pleasantly surprised by the progress so far.

We are very happy that the new welfare law is off to such a good start, and we will continue to work aggressively to move even more people from welfare to work through new commitments from the private sector and new child care, transportation, and welfare to work housing voucher proposals.

<u>Welfare to Work Housing Vouchers</u>

1. What are the new housing vouchers the President is proposing?

The President's budget will provide $283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies which keep them from getting to work every day on time. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place.

2. How are you going to pay for these new vouchers?

Next month the President will send to Congress the first balanced budget in 30 years. This proposal, which costs $283 million in the first year, and an estimated $1.3 billion over five years, will be paid for through cuts in other areas of the federal budget. We believe this is a sound investment which can be paid for in the context of a balanced budget.

3. Aren't yon just replacing one form of welfare with another?

No. Families will be eligible for these vouchers only if they are working. This is not a

free ride--while these vouchers will make housing more affordable, most families will still have to spend about 30% of their income for rent.

4. Given the shortage of affordable housing nationwide, why give welfare recipients special preference for these new vouchers? Will this create an incentive for people to get on welfare in order to get housing?

We think it makes sense to assist families who are working hard to leave welfare and make a better life. These vouchers will only be available to those who have are working and for whom the voucher is critical to that family getting or keeping a job. Besides, with the tough work requirements and life-time limits on welfare, we don't think people will sign up for welfare just to get a housing voucher.

While this proposal focuses on those leaving welfare for work, the President's FY99 budget proposal will also help spur private-sector development of more affordable rental housing for all low-income Americans through a 40% increase in the value of the Low-Income Housing Tax Credit. In addition, the Administration has a long track record of working to make housing affordable and accessible, including increasing funding for the HOME program by 50%.

5. Is there any evidence that people need this help? How do you know it will make a difference?

This proposal will help address the problem that in many regions, jobs are being created far from where many welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. To make this daily commute possible, the President is fighting for a $600 million welfare to work transportation initiative as part of the reauthorization of ISTEA. But in some cases it makes more sense for someone to move closer to work, and this new proposal will make that possible.

Because there is a major shortage of affordable housing, many welfare recipients live in crowded conditions or substandard housing -- problems which make it difficult for them to get to work on time every day. Overall, about 2 million families with children live in substandard housing [check], and less then 15 percent of welfare recipients receive any kind of rental assistance -- even fewer receive portable assistance that they can use to rent housing in the private market.

6. Since demand far exceeds the number of new vouchers, isn't this just a drop in the bucket? How will you decide who gets them? Will every community in the country get vouchers?

This proposal will increase the overall supply of portable housing vouchers for families on welfare by over 10 percent -- a meaningful investment. Currently, 1.4 million households

Draft: 8:00 am 1/21/98

Welfare Caseloads and Welfare to Work Housing Vouchers

January 21, 1998

Internal Questions & Answers

Welfare Caseloads

1. Today The New York Times reported that welfare caseloads have fallen below 10 million--is this story correct?

Yes, we have more evidence that welfare reform is working -- the number of Americans on welfare has fallen below 10 million people for the first time since February 1971. The new numbers, from August 1997, show the rolls declined by 2.2 million in the year following the President's signing of welfare reform into law, for a drop of 4.1 million, or 29 percent, since the President took office. Since 1993, 49 out of 50 states have lowered their welfare rolls -- 22 states by 40 percent or more. This is the largest caseload decline in history: in no other comparable time period have as many people come off the welfare rolls.

[Note: in addition to these August 1997 numbers, we are holding for release at a later time September 1997 numbers which were in our weekly memo to the President, which show a 4.3 million or 30 percent drop since January 1993.]

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6. Since demand far exceeds the number of new vouchers, isn't this just a drop in the bucket? How will you decide who gets them? Will every community in the country get vouchers?

This proposal will increase the overall supply of portable housing vouchers for families on welfare by over 10 percent -- a meaningful investment. Currently, 1.4 million households

receive portable rental assistance, of which 446,000 are families with children whose primary source of income is public assistance.

The vouchers will be awarded on a competitive basis to the local housing agencies. Local applications will be developed in partnership with the state, local or tribal agency administering Temporary Assistance for Needy Families (TANF) and the local entity (generally the Private Industry Council) receiving Welfare-to-Work funds allocated on a formula basis by the U.S. Department of Labor. HUD, working with HHS and DOL, will review local applications and select the most promising ones based on established criteria.

The proposal builds in considerable flexibility for local agencies to decide how to best target the vouchers among eligible current or former welfare recipients within their community, because different approaches will make sense in different places.

7. Won't this just encourage working people to move out of public housing, making housing projects even worse places to live?

Some families may use these new vouchers to move out of public housing and into a privately-owned apartment if such a move is critical to getting or keeping a job. We believe it is important to both increase the number of working people in public housing and to provide opportunities for public housing residents to move to private housing. These vouchers are just one part of our broader housing strategy, which includes attracting more working people to public housing and helping more housing residents get jobs.

[Or helping people in public housing go to work (Jobs Plus?), portability, increasing access to affordable housing, and increasing home ownership....Paul/Jose--please help here. Is this how we should talk about our overall strategy? Is the impact on public housing sensitive, i.e. if working people move out, public housing is left with the toughest folks and those with least income. Also, should we address the more general concern in some quarters that housing may see loss of income due to time limits, etc]

8. How will these new vouchers work and how is this different from existing housing programs?

These new welfare to work housing vouchers would be available to families eligible for or currently receiving welfare, or who received welfare within the past year, who need the voucher to get or keep a job, and who meet the criteria for Section 8. The vouchers would be portable and could be used to rent private housing.

Under existing programs, a family is eligible for Section 8 if its income is below 50 percent of the area median income and 30 percent of its income paid toward rent does not exceed the fair market rent in the area. Currently, there are about 1.4 million units each of portable tenant-based Section 8, project-based Section 8, and public housing.

Section 8 tenant-based vouchers are used to rent housing in the private market. Tenants pay the landlord approximately 30 percent of their income for rent. The public housing authority uses federal funds to pay the landlord the difference between the "fair market rent" and the tenant's rental payment. The average fair market rent, which varies widely around the country, is $592 a month, the average tenant contribution is $215, and the average HUD subsidy is $377.

Section 8 project-based housing subsidies are not portable. They consist of rental units in buildings owned and operated by private owners (for profit and nonprofit). These subsidies cover part or all of the units in a particular building. Tenants pay 30 percent of their income to the project's owner for rent. The remainder is paid by the federal government. These are not administered by the local housing authority. Owners contract directly with HUD or through an intermediary state housing finance agency.

Public housing consists of rental units owned and operated by public housing authorities. Rents are generally set at 30 percent of tenants' income and are paid to the housing authority to help meet operating and maintenance costs. Federal subsidies also cover operating costs and are distributed to housing authorities on a formula basis.

Number on Welfare Rolls Dips Below 10 Million

By ROBERT PEAR

WASHINGTON, Jan. 20 — The number of people on Federal welfare rolls has dropped below 10 million for the first time in more than 25 years, Clinton Administration officials said today.

Fewer than 4 percent of Americans are now on welfare, the smallest proportion since 1970, the Government reported.

The President's Council of Economic Advisers says that more than 40 percent of the decline is attributable to growth of the economy. More than 30 percent results from changes in Federal and state welfare policies and laws, the council said. The remainder is ascribed to other factors, including more aggressive collection of child support.

Rahm I. Emanuel, a senior adviser to President Clinton, said today: "For the first time since 1971, the number of people on welfare is below 10 million. This is a milestone that's based on the reforms that have altered the welfare system to reflect the priority of work and responsibility."

Mr. Emanuel, a strong proponent of the 1996 welfare law, said: "The children of these families whose parents are now working are connected to the mainstream culture, which is built around work. That's a qualitative difference in their lives that can never be measured."

The welfare rolls have been declining for several years. The number of people receiving cash assistance has dropped 29 percent since President Clinton took office and is now far below the peak of 14.4 million recorded in March 1994.

To the surprise of Federal officials and members of Congress, the decline has been accelerating. In January 1997, there were 11.4 million people on welfare, 2.8 million fewer than in January 1993. In the next seven months, from January to August 1997, the rolls declined by about 1.4 million.

Melissa T. Skolfield, a spokeswoman for the Department of Health and Human Services, said tonight: "In August 1997, the most recent month for which we have figures available, there were 9,995,000 people on welfare. That's a drop of more than 2.2 million since the welfare law was signed in August 1996. The number is at its lowest point since February 1971, when it was 9,952,000."

Officials say the decline in welfare rolls results in part from Federal waivers allowing states to experiment with new welfare policies and from the 1996 law, which established stringent work requirements.

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