

Indicators of Welfare Dependence

Annual Report to Congress
2005



U.S. Department of Health and Human Services

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Executive Summary

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. The 2005 *Indicators of Welfare Dependence*, the eighth annual report, provides welfare dependence indicators through 2002, reflecting changes that have taken place since enactment of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996. As directed by the Welfare Indicators Act, the report focuses on benefits under the Aid to Families with Dependent Children (AFDC) program, now the Temporary Assistance for Needy Families (TANF) program; the Food Stamp Program; and the Supplemental Security Income (SSI) program.

Welfare dependence, like poverty, is a continuum, with variations in degree and in duration. Families may be more or less dependent if larger or smaller shares of their total resources are derived from welfare programs. The amount of time over which families depend on welfare might also be considered in assessing their degree of dependence. Although recognizing the difficulties inherent in defining and measuring dependence, a bipartisan Advisory Board on Welfare Indicators proposed the following definition, as one measure to examine in concert with other key indicators of dependence and well-being:

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.

This 2005 report uses data from the Current Population Survey (CPS) and administrative data to provide updated measures through 2002 for several dependence indicators. Other measures are based on the Survey of Income and Program Participation (SIPP), the Panel Study of Income Dynamics (PSID), and other data sources. Drawing on these various data sources, this report provides a number of key indicators of welfare reciprocity, dependence, and labor force attachment. Selected highlights from the report include the following:

- In 2002, 3.2 percent of the total population was dependent in that they received more than half of their total family income from TANF, food stamps, and/or SSI (see Indicator 1). While marginally higher than the 3.1 percent dependency rate measured in 2001, the 2002 rate is much lower than the 5.2 percent rate measured in 1996. Overall, 4.7 million fewer Americans were dependent on welfare in 2002 compared with 1996.
- Although data are not yet available to show a clear trend in dependency rates through 2003, available data suggest that the rate may increase slightly to 3.3 percent in 2003.
- Trends in dependency are similar to the more well-known changes in TANF and food stamp caseloads. For example, the percentage of individuals receiving AFDC/TANF cash assistance fell from 4.6 percent to 1.9 percent between 1996 and 2003 (see Indicator 3). Food stamp reciprocity rates fell from 9.5 percent in 1996 to 6.1 percent in 2000 and

2001. Since then, the food stamp reciprocity rate has increased to 7.3 percent in 2003. This increase in food stamp reciprocity may explain the modest increase in overall dependency since 2000.

- In an average month in 2002, more than half (60 percent) of TANF recipients lived in families with at least one family member in the labor force. Comparable figures for food stamp and SSI recipients were 58 and 39 percent, respectively (see Indicator 2). Labor force participation, particularly full-time employment, increased considerably among TANF families during the last decade.
- Spells of TANF receipt in the early 2000s were much shorter than spells of AFDC receipt in the early 1990s. Half (50 percent) of TANF spells for individuals entering the program between 2001 and 2003 lasted 4 months or less, compared to 30 percent of AFDC spells beginning between 1992 and 1994 (See Indicator 8).
- Longer-term welfare receipt was much less common during the 1990s compared to earlier decades. Less than 4 percent of those with some AFDC/TANF assistance between 1991 and 2000 received assistance in nine or ten years of the period, compared to 12 percent and 13 percent of AFDC recipients in the earlier two time periods (See Indicator 9).

Since the causes of welfare receipt and dependence are not clearly known, the report also includes a larger set of risk factors associated with welfare receipt. The risk factors are loosely organized into three categories: economic security measures, measures related to employment and barriers to employment, and measures of nonmarital childbearing. The economic security risk factors include measures of poverty and well-being that are important not only as potential predictors of dependence, but also as a supplement to the dependence indicators, ensuring that dependence measures are not assessed in isolation. As such, the report includes data on the official poverty rate, one of the most common measures of economic well-being:

- As the dependency rate fell after 1996, the poverty rate for all individuals fell also, from 13.7 percent in 1996 to 11.3 percent in 2000. Between 2000 and 2003, the poverty rate increased to 12.5 percent, but still remained lower than any year between 1980 and 1998 (see Economic Security Risk Factor 1, Figure ECON 1a).

Finally, the report has four appendices that provide additional data on major welfare programs, alternative measures of dependence and nonmarital births, as well as background information on several data and technical issues.

Chapter I. Introduction and Overview

The Welfare Indicators Act of 1994 (Pub. L. 103-432) directed the Secretary of Health and Human Services (HHS) to publish an annual report on welfare dependency. This 2005 report, the eighth annual indicators report, gives updated data on the measures of welfare reciprocity, dependency, and predictors of welfare dependence developed for previous reports. It reflects changes that have taken place since enactment of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in August 1996.

The purpose of this report is to address questions concerning the extent to which American families depend on income from welfare programs. Under the Welfare Indicators Act, HHS was directed to address the rate of welfare dependency, the degree and duration of welfare reciprocity and dependence, and predictors of welfare dependence. The Act further specified that analyses of means-tested assistance should include benefits under the Aid to Families with Dependent Children (AFDC) program, now the Temporary Assistance for Needy Families (TANF) program; the Food Stamp Program; and the Supplemental Security Income (SSI) program.

This 2005 report provides updated measures through 2002 for dependency measures based on the Current Population Survey (CPS), Annual Social and Economic Supplement, with one preliminary estimate for 2003. Although more recent administrative data provide some information on reciprocity through 2004, the survey data needed to examine overall welfare reciprocity are not available past 2002 for the CPS-based measures and are even less current for measures based on the Panel Study of Income Dynamics (PSID). However, measures based on the Survey of Income and Program Participation (SIPP) are now available through 2003. These newly available SIPP data allow for examination of the lengths of time people spend in poverty or receive government assistance. As in the 2004 report, measures updated annually are presented at the front of each chapter, followed by the figures that are derived from data sources that are updated less frequently.

Organization of Report

This introductory chapter provides an overview of the specific summary measure of welfare dependence proposed by a bipartisan Advisory Board¹ and adopted for use in this annual report series. It also discusses summary measures of poverty, following the Advisory Board's recommendation that dependence measures not be assessed in isolation from other measures of economic well-being. The introduction concludes with a discussion of data sources used for the report.

Chapter II of the report, Indicators of Dependence, presents ten indicators of welfare dependence and reciprocity. These indicators include dependence measures based on total income from all three programs – AFDC/TANF, SSI, and food stamps – as well as measures of reciprocity for

¹ The first annual report was produced under the oversight of a bipartisan Advisory Board on Welfare Indicators, which assisted the Secretary in defining welfare dependence, developing indicators of welfare dependence, and choosing appropriate data. Under the terms of the original authorizing legislation, the Advisory Board was terminated in October 1997, prior to the submission of the first annual report.

each of the three programs considered separately. Labor force participation among families receiving welfare and benefit receipt across multiple programs are also shown. The second half of the chapter includes longitudinal data on transitions on and off welfare programs and spells of dependence and reciprocity. This section also includes a measure of long-term program receipt of up to 10 years, and a newly updated measure of events associated with the beginning and ending of program spells.

Chapter III, Predictors and Risk Factors Associated with Welfare Receipt, focuses on predictors of welfare dependence – risk factors believed to be associated with welfare receipt. These predictors are shown in three different groups:

- (1) **Economic security** – including various measures of poverty, receipt of child support, food insecurity, and health insurance coverage – is important in predicting dependence because families with fewer economic resources are more likely to rely on welfare programs for their support.
- (2) Measures of the **work status** and potential barriers to employment of adult family members also are critical, because families must generally receive an adequate income from employment in order to avoid dependence without severe deprivation.
- (3) Finally, data on **nonmarital births** are important since a high proportion of long-term welfare recipients first became parents outside of marriage, frequently as teenagers.

Additional data and technical notes are presented in four appendices. Appendix A provides basic program data on each of the main welfare programs and their recipients; Appendix B shows how dependence is affected by the inclusion of benefits from the SSI program; Appendix C includes additional data on nonmarital childbearing; and Appendix D provides background information on several data and technical issues. The main welfare programs included in Appendix A are:

- The **Aid to Families with Dependent Children (AFDC)** program, the cash assistance program serving the largest number of persons, provided monthly cash benefits to families with children, until its replacement by the **Temporary Assistance for Needy Families (TANF)** program, which is run directly by the states. Data on the AFDC and TANF programs are provided in Appendix A, with AFDC data provided from 1977 through June 1997, and TANF data from July 1997 through 2003.
- The **Food Stamp Program** provides monthly food stamp benefits to individuals living in families or alone, provided their income and assets are below limits set in Federal law. It reaches more poor people over the course of a year than any other means-tested public assistance program. Appendix A provides historical data from 1970 to 2003.
- The **Supplemental Security Income (SSI)** program provides monthly cash payments to elderly, blind, or disabled individuals or couples whose income and assets are below levels set in Federal law. Though the majority of recipients are adults,

disabled children also are eligible. Historical data from 1974 through 2003 are provided in Appendix A.

Measuring Welfare Dependence

As suggested by its title, this report focuses on welfare “dependence” as well as welfare “reciency.” While reciency can be defined fairly easily, based on the presence of benefits from AFDC/TANF, SSI or food stamps, dependence is a more complex concept.

Welfare dependence, like poverty, is a continuum, with variations in degree and in duration. Families may be more or less dependent if larger or smaller shares of their total resources are derived from welfare programs. The amount of time over which a family depends on welfare might also be considered in assessing its degree of dependence. Nevertheless, a summary measure of dependence to be used as an indicator for policy purposes must have some fixed parameters that allow one to determine which families should be counted as dependent, just as the poverty line defines who is poor under the official standard. The definition of dependence proposed by the Advisory Board for this purpose is as follows:

A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC, 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.

This measure is not without its limitations. The Advisory Board recognized that no single measure could capture fully all aspects of dependence and that the proposed measure should be examined in concert with other indicators of well-being. In addition, while the proposed definition would count unsubsidized and subsidized employment and work required to obtain benefits as work activities, existing data sources do not permit distinguishing between welfare income associated with work activities and non-work-related welfare benefits. As a result, the data shown in this report overstate the incidence of dependence (as defined above) because welfare income associated with work required to obtain benefits is classified as welfare and not as income from work. This issue may be growing in importance under the increased work requirements of the TANF program. In FY 2003, 28 percent of welfare recipients were working (including employment, work experience, and community service), compared to only 7 percent in 1992.²

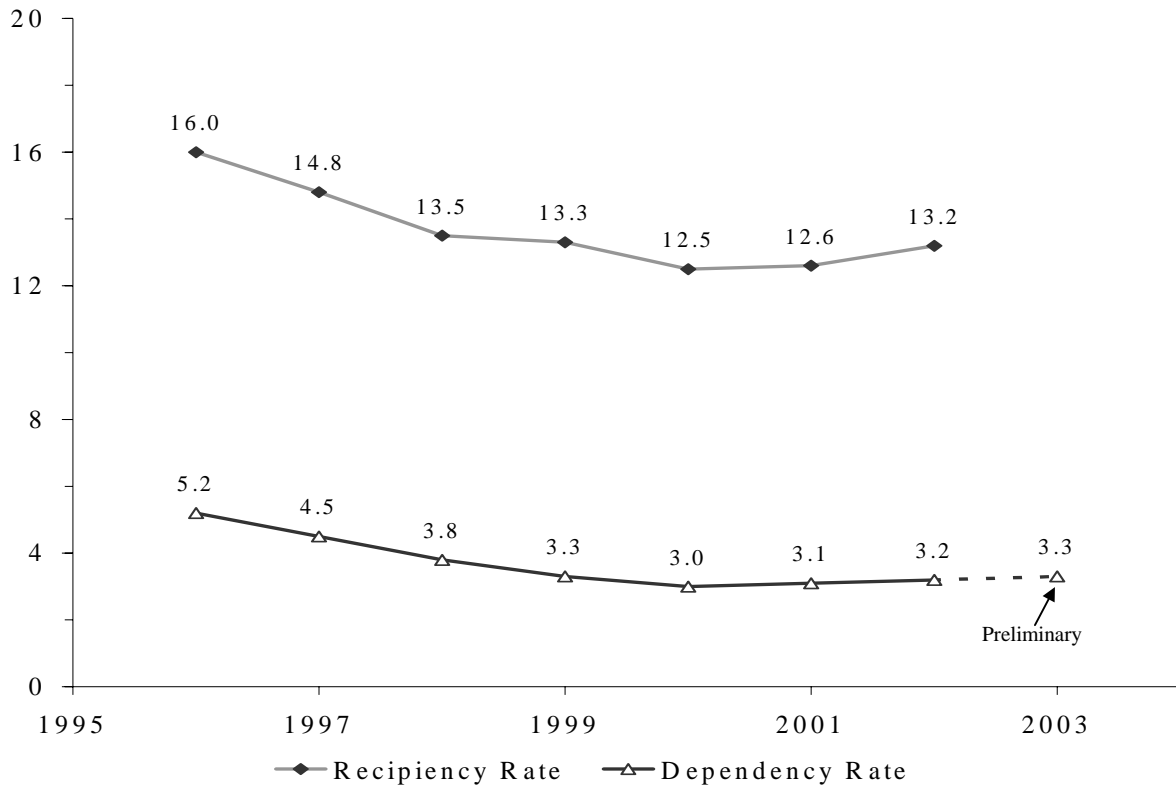
This proposed definition also represents an essentially arbitrary choice of a percentage (50 percent) of income from welfare beyond which families will be considered dependent. However, it is relatively easy to measure and to track over time, and is likely to be associated with any very large changes in total dependence, however defined. For example, dependence under this

² This 28 percent includes 21 percent in unsubsidized employment and 7 percent in work preparation activities (including subsidized jobs, on-the-job training, work experience, or community services). The earnings of those in unsubsidized employment would be correctly captured as income from work in national surveys. Any welfare benefits associated with work experience, community service programs or other work activities, however, would be counted as income from welfare in most national surveys, a classification incompatible with the proposed definition.

definition declined as policy changes under welfare reform moved more recipients into employment.

As shown in Figure SUM 1, 3.2 percent of the population would be considered “dependent” on welfare in 2002 under the above definition. This is about one-quarter of the percentage (13.2 percent) that lived in a family receiving at least some TANF, food stamp or SSI benefits during the year. Although data are not yet available to show a clear trend in dependency rates through 2003, available data suggest the rate may increase slightly between 2002 and 2003.³

Figure SUM 1. Reciprocity and Dependency Rates: 1996-2002



Note: Reciprocity is defined as living in a family with receipt of any amount of AFDC/TANF, SSI, or food stamps during year. Dependency is defined as having more than 50 percent of annual income from AFDC/TANF, SSI and/or food stamps. Dependency rates would be lower if adjusted to exclude welfare assistance associated with working. The estimate for 2003 is preliminary.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1997-2003, analyzed using the TRIM3 microsimulation model.

While dependency and reciprocity rates increased slightly to 3.2 and 13.2 percent, respectively, the 2002 dependency and reciprocity rates remain significantly lower than the 1996 rates of 5.2 and 16.0, respectively. The overall drop in reciprocity rates is consistent with administrative data

³ While TRIM-adjusted CPS data for 2003 are not yet available, estimates from the Survey of Income and Program Participation, as well as non-adjusted estimates from the Annual Social and Economic Supplement to the CPS, indicate a slight increase in the level of dependence between 2002 and 2003.

showing declining TANF caseloads from 1996 to 2002. What is not apparent from administrative records, but is shown in these national survey data, is that the dependency rate also declined sharply after 1996. While 13.74 million individuals were dependent in 1996, only 9.03 million were dependent in 2002 – representing a decline of 4.71 million people.

Reciprocity and dependency rates are higher for non-Hispanic blacks and Hispanics than for non-Hispanic whites, as shown in Table SUM 1. Reciprocity and dependence also are higher for young children than for adults, and for individuals in female-headed families than for those in married-couple families. However, both reciprocity and dependency rates are much lower for non-Hispanic blacks, Hispanics, children and individuals in female-headed families in 2002 compared to 1996.

Measures of welfare dependency also vary based upon which programs are counted as “welfare programs.” Dependency would be much lower – 1.5 percent – if only AFDC/TANF and food stamp benefits were counted (as shown in Appendix B and as is done in some measures in this report). Moreover, the drop in dependency is even larger under this alternative definition of dependence than usually reported. For example, between 1995 and 2002, dependency declined from 3.6 percent to 1.5 percent under the alternative definition.

Another factor affecting dependence is the time period observed. The summary measures shown in Figure and Table SUM 1 focus on reciprocity and dependency rates measured on an annual, cross-sectional basis. Longitudinal measures of program receipt (both annual and monthly) show that program spells are typically short and long-term reciprocity is more rare (see Chapter II). Indicator 9, for example, shows that among individuals receiving AFDC/TANF at some point over a ten-year period ending in 2000, 18 percent received some welfare during six or more years. Another 31 percent were recipients in three to five years, and more than half (51 percent) received welfare in only one or two years.

Measuring Economic Well-Being

To assess the social impacts of any change in dependence, changes in the level of poverty should be considered. This chapter focuses on the official poverty rate, the most common poverty measure; additional measures of poverty and need are also included under the Economic Risk Factors found in Chapter III.

Poverty in 2003 remains much lower than in 1996, the year of passage of the Personal Responsibility and Work Opportunity Reconciliation Act. The official poverty rate for 2003 was 12.5 percent, compared to 13.7 percent in 1996. This difference in the poverty rate indicates that 668 thousand fewer people are in poverty and 1.6 million fewer children are in families with incomes below poverty than in 1996. There was an increase in the overall and child poverty rates between 2000 and 2003, but the poverty rate among adults over age 64 remained essentially unchanged (see Table ECON 1 in Chapter III).

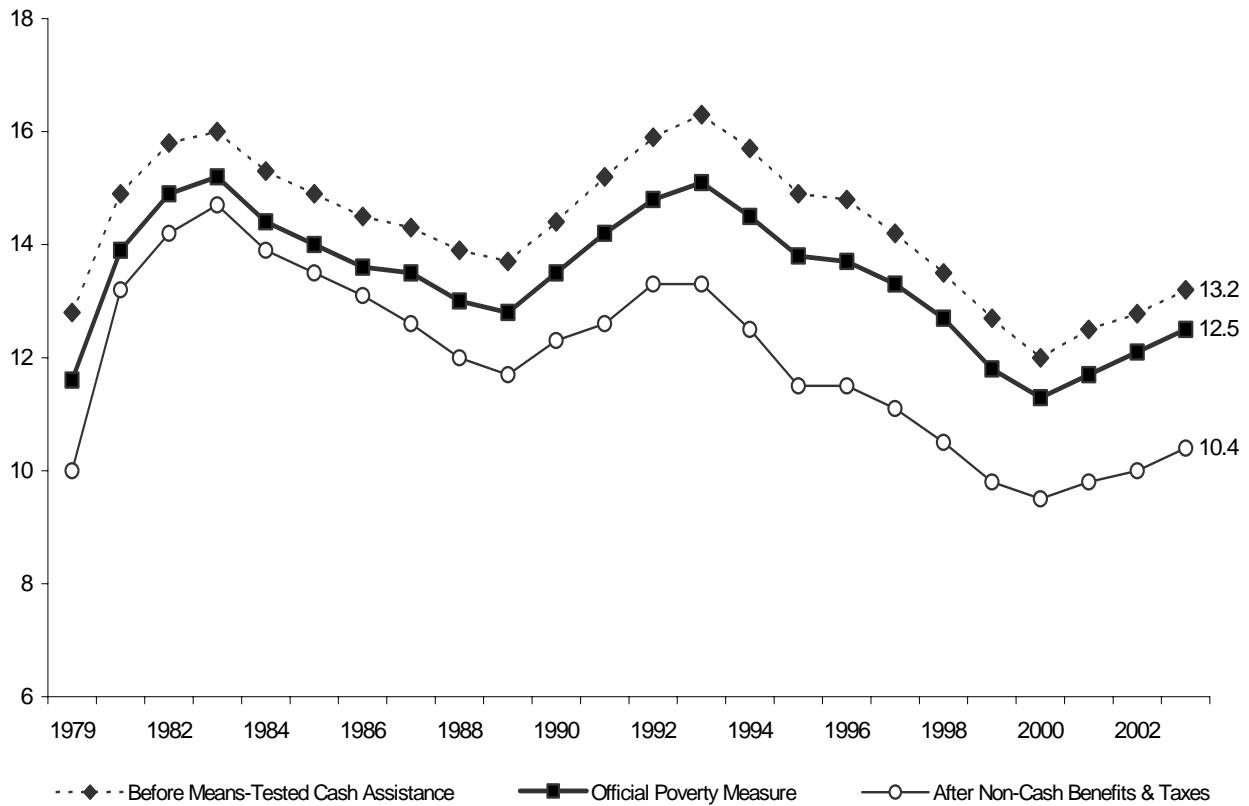
Table SUM 1. Reciprocity and Dependency Rates: 1996-2002

	1996	1997	1998	1999	2000	2001	2002
Reciprocity Rates (Rates of Any Amount of AFDC/TANF, Food Stamps or SSI)							
All Persons	16.0	14.8	13.5	13.3	12.5	12.6	13.2
Racial/Ethnic Categories							
Non-Hispanic White	9.9	9.7	8.6	8.4	8.2	8.2	8.8
Non-Hispanic Black	35.6	30.2	29.6	29.8	27.0	26.3	27.7
Hispanic	32.0	28.0	24.5	23.4	21.0	21.6	21.7
Age Categories							
Children Ages 0-5	28.2	25.1	22.4	21.5	19.8	20.8	21.4
Children Ages 6-10	24.2	21.2	20.0	19.8	18.0	18.4	18.8
Children Ages 11-15	21.1	19.4	17.0	17.3	16.3	16.1	16.8
Women Ages 16-64	16.0	14.7	13.6	13.6	12.5	12.5	13.4
Men Ages 16-64	11.7	11.1	10.0	9.6	9.2	9.6	10.3
Adults Ages 65 and over	10.3	10.2	9.9	10.0	10.4	9.6	9.7
Family Categories							
Individuals in:							
Married-Couple Families	9.6	8.7	8.3	7.9	7.2	7.4	7.5
Female-Headed Families	46.0	41.6	37.5	39.9	37.1	36.4	37.7
Male-Headed Families	25.3	24.3	19.7	19.3	21.8	21.2	21.2
Unrelated Individuals	11.5	11.9	10.9	10.0	10.1	10.0	11.5
Dependency Rates (More than 50 Percent of Income from AFDC/TANF, Food Stamps or SSI)							
All Persons	5.2	4.5	3.8	3.3	3.0	3.1	3.2
Racial/Ethnic Categories							
Non-Hispanic White	2.6	2.5	2.1	1.8	1.9	1.8	1.8
Non-Hispanic Black	13.8	11.4	10.5	9.1	7.7	8.8	8.7
Hispanic	10.9	9.1	6.6	5.4	4.5	4.5	4.9
Age Categories							
Children Ages 0-5	11.2	9.3	7.8	6.2	6.0	5.9	6.0
Children Ages 6-10	9.5	8.4	6.7	6.1	5.1	5.4	5.1
Children Ages 11-15	8.1	7.4	5.7	4.5	4.0	4.4	4.0
Women Ages 16-64	5.2	4.6	3.9	3.5	3.0	3.3	3.4
Men Ages 16-64	2.7	2.5	2.1	1.9	1.9	2.0	2.0
Adults Ages 65 and over	2.4	2.1	2.1	2.0	2.1	1.9	2.0
Family Categories							
Individuals in:							
Married-Couple Families	1.7	1.4	1.1	1.0	0.9	1.0	1.0
Female-Headed Families	21.1	18.4	15.0	13.6	11.4	11.9	11.7
Male-Headed Families	5.4	5.6	4.2	3.0	4.4	4.0	3.8
Unrelated Individuals	4.2	4.2	4.2	3.4	3.8	3.8	4.1

Note: Reciprocity is defined as living in a family with receipt of any amount of AFDC/TANF, SSI or food stamps during the year. Dependency is defined as having more than 50 percent of annual family income from AFDC/TANF, SSI and/or food stamps. Dependency rates would be lower if adjusted to exclude welfare assistance associated with working. Spouses are not present in the Male-Headed and Female-Headed family categories. Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1997-2003, analyzed using the TRIM3 microsimulation model.

Figure SUM 2. Percentage of Total Population in Poverty with Various Means-Tested Benefits Added to Total Cash Income: 1979-2003



Source: Unpublished Congressional Budget Office tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1980-2004. Additional calculations by DHHS. See ECON 4 in Chapter III for underlying table and further notes.

Figure SUM 2 shows poverty estimates under both the official poverty rate and two other measures that adjust income to take into account cash benefits, non-cash benefits and taxes. The three measures in the graph are based on analyzing three different concepts of income against the poverty threshold:

The solid line with filled squares shows the official poverty rate, based on total cash income, including earned and unearned income. The official poverty rate was 12.5 percent in 2003.

The dotted line shows what poverty would be if means-tested cash assistance (primarily AFDC/TANF and SSI) were excluded from cash income. Income in this measure includes earnings and other private cash income, plus social security, workers' compensation, and other social insurance programs, as income. Poverty under this measure would be higher than the official measure, or 13.2 percent in 2003.

The lowest line shows that poverty would be lower if the cash value of selected non-cash benefits (food and housing) and taxes, including refunds under the Earned Income Tax Credit

(EITC), were counted as income.⁴ Under this definition, poverty rates in 2003 would be at least two percentage points lower than the official measure, or 10.4 percent.

Data Sources

The primary data sources for this report are the Current Population Survey (CPS), the Survey of Income and Program Participation (SIPP), the Panel Study of Income Dynamics (PSID), and administrative data for the AFDC/TANF, Food Stamp, and SSI programs. Beginning with the 2001 report, there was a shift to using CPS rather than SIPP data for several indicators and predictors of welfare reciprocity and dependence. This change was necessary because CPS data are updated annually, while SIPP updates are available much less frequently.

If it were not for the lags in data availability, the SIPP would be considered the most useful national survey for measuring welfare dependency. It was used most extensively in the first three annual dependence reports. Its longitudinal design, system of monthly accounting, and detail concerning employment, income and participation in federal income-support and related programs, make the SIPP particularly effective for capturing the complexities of program dynamics. It continues to be an important source of data in this report, particularly for measures related to AFDC/TANF spell duration and transitions in and out of AFDC/TANF reciprocity, dependency, and poverty.

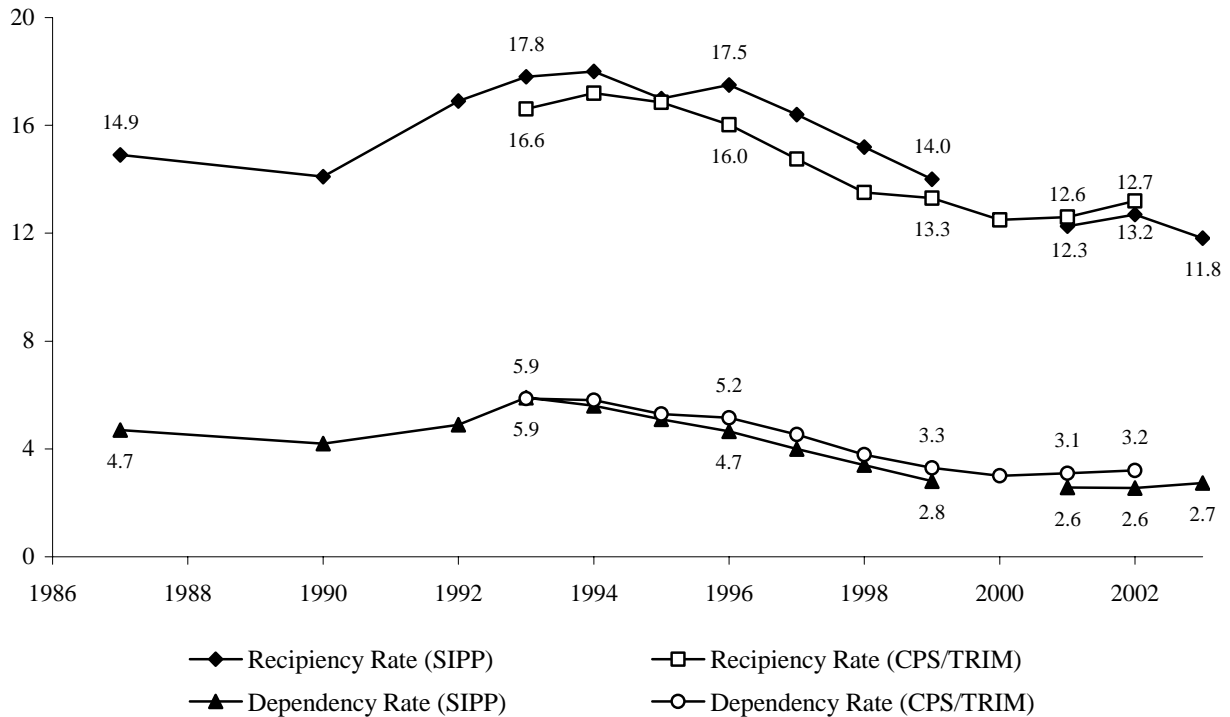
This year we have updated a past indicator based on the SIPP that takes advantage of many of these strengths. Indicator 10, Events Associated with the Beginning and Ending of Program Spells, identifies potential trigger events that are associated with welfare spell entries and exits among single mothers. While in volumes prior to 2004 we used the Panel Study of Income Dynamics (PSID) for this measure, monthly data from the SIPP (compared to annual data from the PSID) allow for greater specificity in identifying welfare spells and associations between welfare spells and a wide range of transition events. Because of the different accounting periods as well as other methodological differences in the two data sources, estimates from Indicator 10 in the current volume are not comparable to estimates found in previous reports.

For measures of receipt, dependency, and poverty at a single point in time, the report primarily uses the Annual Social and Economic Supplement to the CPS, which measures income and poverty over an annual accounting period. As stated above, the CPS data are available on a timelier basis than the SIPP, and have been widely used to measure trends since the welfare reform legislation of 1996. However, because the CPS does not collect income in the same detail as the SIPP, it has been subject to criticism for underreporting of income, particularly welfare income. To address this concern, some of the indicators in this report are based on CPS data that have been analyzed by the Transfer Income Model (TRIM3), a microsimulation model developed by the Urban Institute under contract to the Office of the Assistant Secretary for Planning and Evaluation. Although its primary purpose is to simulate program eligibility and the impact of policy proposals, the TRIM model has also been used to correct for underreporting of welfare receipt and benefits. Welfare caseloads in TRIM3 are based on CPS data, adjusted upward to ensure that total estimates of recipients equal the total counts from administrative data.

⁴ The effects of selected non-cash benefits (food and housing) are shown separately from the effect of taxes in Figure ECON 4 in Chapter III. Prior to 1993, taxes increased poverty. Since 1993, taxes and tax credits (including refunds through the Earned Income Tax Credit) have had the net effect of reducing poverty rates.

As shown in Figure SUM 3, the overall measures of dependency and reciprocity have not been greatly affected by the change in data sources. Both data sources show a decline in dependence between 1996 and 1999 and a small increase in dependence between 2001 and 2002. Still, readers are cautioned against comparing measures for 1987-1995 from the SIPP data in the first three annual reports with the measures for 1996-2001 from the TRIM-adjusted CPS data.

Figure SUM 3. Reciprocity and Dependency Rates from Two Data Sources: 1987-2003



Note: Reciprocity is defined as receipt of any amount of AFDC/TANF, SSI, or food stamps during year. Dependency is defined as having more than 50 percent of annual family income from AFDC/TANF, SSI and/or food stamps. Dependency rates would be lower if adjusted to exclude welfare assistance associated with working.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2003, analyzed using the TRIM3 microsimulation model, and unpublished tabulations from the Survey of Income and Program Participation, 1987, 1990, 1992, 1993, 1996 and 2001 panels.

The Panel Study of Income Dynamics (PSID) is another source of data used in this report. Like the SIPP it provides longitudinal data, but over a much longer time period than the three- to four-year time period of the SIPP. With annual data on program receipt since 1968, the PSID provides vital data for measuring longer-term welfare use over periods of up to 10 years. Because the PSID indicators cover time spans as long as a decade, they are updated less frequently than the CPS-based and SIPP-based measures. Reductions in the frequency and detail of data collection under the PSID have made it difficult to update the reasons for entrance and exit from welfare receipt (Indicator 11 in the 2003 report). Therefore, as discussed above, a new measure of reasons for entrance and exit from AFDC/TANF based on the SIPP is included in this report.

Finally, the report also draws upon administrative data for the AFDC/TANF, Food Stamp and SSI programs. These data are largely reported in Appendix A. Like the CPS data,

administrative data are generally available with little time lags; these data are generally available through fiscal year 2003. To the extent possible, TANF administrative data are reported in a consistent manner with data from the earlier AFDC program, as noted in the footnotes to the tables in Appendix A. The fact remains that assistance under locally designed TANF programs encompasses a diverse set of cash and non-cash benefits designed to support families in making a transition to work, and so direct comparisons between AFDC receipt and TANF receipt must be made with caution. This issue also affects reported data on TANF receipt in national data sets such as the CPS and SIPP.

For further technical information about the data presented in the report, specifically for information on race and ethnicity, unit of analysis, and annual versus monthly measures, please see Appendix D.

Chapter II. Indicators of Dependence

Following the format of the previous annual reports to Congress, Chapter II presents summary data related to indicators of dependence. These indicators differ from other welfare statistics because of their emphasis on welfare dependence, rather than simple welfare receipt. As discussed in Chapter I, the Advisory Board on Welfare Indicators suggested measuring dependence as the proportion of families with more than 50 percent of their total income in a one-year period coming from cash assistance through the AFDC (now TANF) program, food stamps and SSI benefits. Furthermore, this welfare income was not to be associated with work activities.

The indicators in Chapter II were selected to provide information about the range and depth of dependence as defined by the Advisory Board. Existing data from administrative records and national surveys, however, do not generally distinguish welfare benefits received in conjunction with work from benefits received without work. Thus, it was not possible to construct one single indicator of dependence; that is, one indicator that measures both percentage of income from means-tested assistance and presence of work activities.

This chapter focuses on recipients of three major means-tested cash and nutritional assistance programs: cash assistance through the Aid to Families with Dependent Children (AFDC) and the Temporary Assistance for Needy Families (TANF) programs, benefits under the Food Stamp Program, and Supplemental Security Income (SSI) benefits for elderly and disabled recipients. For some indicators, summary data and characteristics are provided for all recipients, not just those defined as welfare-dependent. While a number of indicators focus on the percentage of recipients' income from means-tested assistance, other indicators focus on presence of work activities at the same time as welfare receipt.

Here is a brief summary of each of the ten indicators:

Indicator 1: Degree of Dependence. This indicator focuses most closely on those individuals who meet the Advisory Board's proposed definition of "dependence." In addition to examining individuals with more than 50 percent of their annual family income from AFDC/TANF cash assistance, food stamps and/or SSI benefits, it shows various levels of dependence by examining those with more than 0 percent, 25 percent, and 75 percent of their income from these sources (Indicators 1a and 1b). This indicator also shows the average percentage of income from means-tested assistance and earnings received by families with various levels of income relative to the poverty level (Indicators 1c and 1d).

Indicator 2: Receipt of Means-Tested Assistance and Labor Force Attachment. This indicator looks further at the relationship between receipt of means-tested assistance and participation in the labor force. This is an important issue because of the significant number of low-income individuals that use a combination of means-tested assistance and earnings from the labor force.

Indicator 3: Rates of Receipt of Means-Tested Assistance. This indicator paints yet another picture of dependence by measuring reciprocity rates, that is, the percentage of the population that receives AFDC/TANF, food stamps, or SSI in an average month. Program administrative

data make these figures readily available over time, allowing a better sense of historical trends than is available from the more specialized indicators of dependence.

Indicator 4: Rates of Participation in Means-Tested Assistance Programs. While means-tested public assistance programs are open to all that meet their requirements, not all eligible households participate in the programs. This indicator uses administrative data and microsimulation models to reflect “take-up rates” – the number of families that actually participate in the programs as a percentage of those who are legally eligible.

Indicator 5: Multiple Program Receipt. Depending on their circumstances, individuals may choose a variety of different means-tested assistance “packages.” This indicator looks at the percentage of individuals receiving AFDC/TANF, food stamps, and SSI in a month, examining how many rely on just one of these programs, and how many rely on a combination of two programs.

Indicator 6: Dependence Transitions. This indicator uses data from the Survey of Income and Program Participation (SIPP) to look at whether individuals dependent on welfare in one year make the transition out of dependence in the following year.

Indicator 7: Dependence Spell Duration. Like Indicator 6, this indicator is concerned with dynamics of welfare receipt and welfare dependence. It shows the proportion of individuals with short, medium, and long spells, or episodes, of AFDC or TANF receipt. The focus is on individuals in families with no labor force participants who enter the AFDC/TANF program.

Indicator 8: Program Spell Duration. One critical aspect of dependence is how long individuals receive means-tested assistance. Like Indicator 7, this indicator provides information on short, medium, and long spells of welfare receipt. It differs from Indicator 7 in looking at all recipients, regardless of attachment to the labor force, and in analyzing recipients of each of the three major means-tested programs – AFDC/TANF, the Food Stamp Program, and SSI.

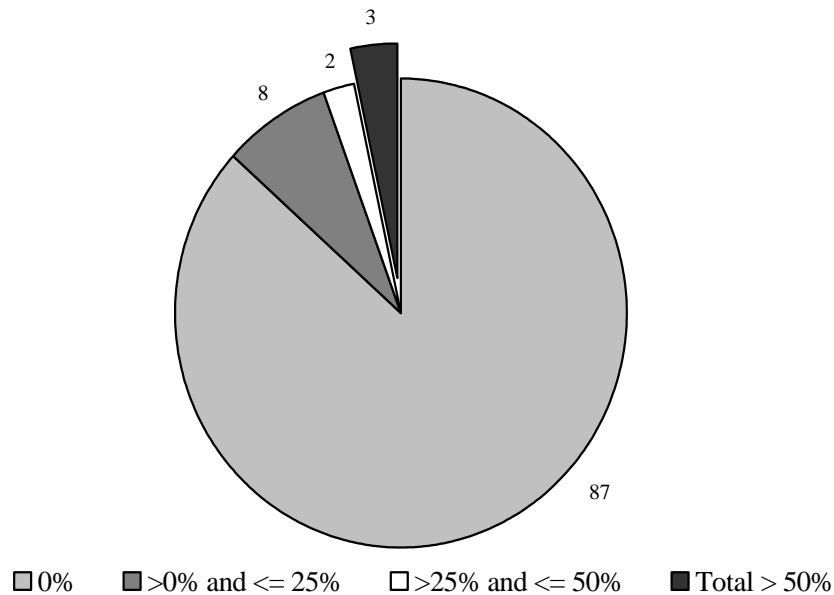
Indicator 9: Long-Term Receipt. Many individuals who leave welfare programs cycle back on after an absence of several months. Thus it is important to look beyond individual program spells, measured in Indicator 8, to examine the cumulative amount of time individuals receive assistance over a period of several years.

Indicator 10: Events Associated with the Beginning and Ending of Program Spells. To gain a better understanding of welfare dynamics, it is important to go beyond measures of spell duration and examine information regarding the major events in people’s lives that are correlated with the beginnings or endings of program spells. This measure focuses on receipt of TANF.

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INDICATOR 1. DEGREE OF DEPENDENCE

Figure IND 1a. Percentage of Total Income from Means-Tested Assistance Programs: 2002



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

- Only 3.2 percent of the total population in 2002 received more than half of their total family income from TANF, food stamps and SSI. As shown in Table IND 1b, the percentage of families dependent on public assistance has dropped dramatically since 1993, with most of the decline occurring between 1996 and 2000. Since 2000, there has been a small increase in dependency, from 3.0 to 3.2 percent.
- A little over 13 percent of the overall population received at least one dollar in means-tested assistance in 2002. However, for 59 percent of these individuals (8 percent of the total population), such assistance represented 25 percent or less of annual family income. The vast majority (87 percent) of the population received no means-tested assistance in 2002.
- As shown in Table IND 1a, individuals living in female-headed families were much more likely to be dependent on assistance from means-tested programs than individuals in married-couple or male-headed families (11.7 percent compared to 1.0 and 3.8 percent respectively).
- In 2002, about one in four individuals receiving some public assistance reported that TANF, food stamps, and SSI accounted for more than half of their total family income. This number reflected a decline in dependence since 1996, when nearly one in three individuals receiving public assistance were dependent on it.

Table IND 1a. Percentage of Total Annual Family Income from Means-Tested Assistance Programs by Race/Ethnicity and Age: 2002

	0%	>0% and ≤ 25%	>25% and ≤ 50%	>50% and ≤ 75%	>75% and ≤ 100%	Total > 50%
All Persons	86.8	7.8	2.3	1.0	2.1	3.2
Racial/Ethnic Categories						
Non-Hispanic White	91.2	5.6	1.3	0.5	1.3	1.8
Non-Hispanic Black	72.3	13.6	5.4	3.0	5.6	8.7
Hispanic	78.3	12.5	4.3	1.6	3.2	4.9
Age Categories						
Children Ages 0-5	78.6	10.8	4.6	2.3	3.7	6.0
Children Ages 6-10	81.2	10.0	3.7	2.2	3.0	5.1
Children Ages 11-15	83.2	9.7	3.1	1.4	2.5	4.0
Women Ages 16-64	86.6	7.8	2.2	1.0	2.4	3.4
Men Ages 16-64	89.7	6.8	1.4	0.6	1.5	2.0
Adults Ages 65 and over	90.3	5.7	2.0	0.7	1.3	2.0
Family Categories						
Individuals in Married-Couple Families	92.5	5.4	1.2	0.4	0.6	1.0
Individuals in Female-Headed Families	62.3	18.2	7.9	4.5	7.2	11.7
Individuals in Male-Headed Families	78.8	13.9	3.5	1.6	2.2	3.8
Unrelated Individuals	88.5	6.2	1.2	0.4	3.6	4.1

Note: Means-tested assistance includes TANF, SSI, and food stamps. Total >50% includes all persons with more than 50 percent of their total annual family income from these means-tested programs. Income includes cash income and the value of food stamps. Spouses are not present in the Female-Headed and Male-Headed family categories.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

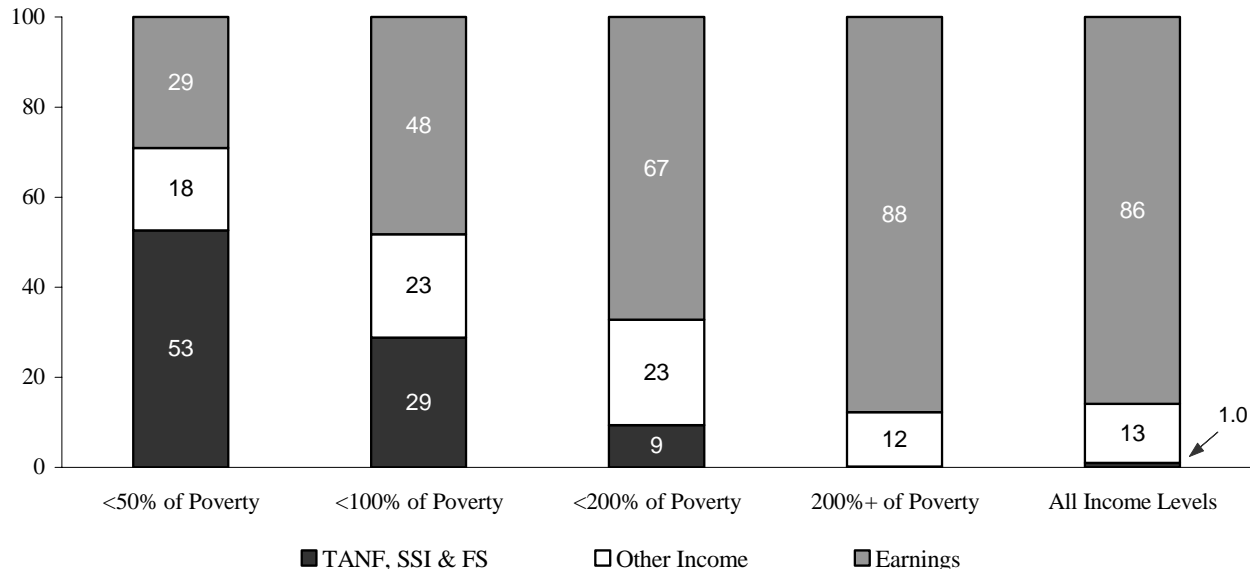
Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2003, analyzed using the TRIM3 microsimulation model.

Table IND 1b. Percentage of Total Annual Family Income from Means-Tested Assistance Programs: 1993-2002

	0%	>0% and ≤ 25%	>25% and ≤ 50%	>50% and ≤ 75%	>75% and ≤ 100%	Total > 50%
1993	83.4	7.8	3.0	1.8	4.1	5.9
1994	82.8	8.4	3.1	1.8	4.0	5.8
1995	83.2	8.5	3.1	1.8	3.5	5.3
1996	84.0	7.8	3.1	1.9	3.3	5.2
1997	85.3	7.7	2.5	1.5	3.1	4.5
1998	86.5	7.3	2.5	1.3	2.5	3.8
1999	86.7	7.7	2.3	1.1	2.2	3.3
2000	87.5	7.3	2.2	1.0	2.0	3.0
2001	87.4	7.3	2.2	1.0	2.1	3.1
2002	86.8	7.8	2.3	1.0	2.1	3.2

See above for note and source.

Figure IND 1b. Percentage of Total Annual Income from Various Sources, by Poverty Status: 2002



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

- Those in families with income below the poverty level received almost half (48 percent) of their total family income from earnings and 29 percent of their total family income from means-tested assistance programs (TANF, SSI, and food stamps) in 2002. In contrast, those with family income over 200 percent of the poverty level received the majority (88 percent) of their income from earnings and less than one percent of their income from means-tested assistance (a percentage so small that it is not visible in Figure IND 1b).
- The percentage of family income received from earnings is inversely proportional to overall family income relative to the poverty line. For example, the percentage of income received from earnings for those living in deep poverty (below 50 percent of poverty) was only 29 percent, compared to 48 percent for all poor individuals in 2002.
- On average, children were more likely than the elderly to live in families receiving a higher percentage of their income from means-tested assistance programs, as shown by Table IND 1c. The elderly received more income from other income sources, such as Social Security benefits and private pensions.
- The percentage of income received from earnings for families with incomes below the poverty level has increased over time, as shown in Table IND 1d. In 1995, poor families received 40 percent of their income from earnings; this percentage rose to 48 percent in 1998 and has remained fairly stable since. Over the same time period, there was a decline in the percentage of income from means-tested programs among poor families from 41 percent in 1995 to 29 percent in 2002.

**Table IND 1c. Percentage of Total Annual Family Income from Various Sources, by Poverty Status
Race/Ethnicity and Age: 2002**

	< 50% Poverty	<100% of Poverty	<200% of Poverty	200% + of Poverty	All Individuals
All Persons					
TANF, SSI and Food Stamps	52.6	28.8	9.4	0.2	1.0
Earnings	29.1	48.2	67.2	87.7	85.9
Other Income	18.3	23.0	23.4	12.1	13.1
Racial/Ethnic Categories					
<i>Non-Hispanic White</i>					
TANF, SSI and Food Stamps	46.4	26.4	7.0	0.1	0.5
Earnings	30.4	42.7	61.5	86.9	85.4
Other Income	23.3	30.9	31.4	13.0	14.0
<i>Non-Hispanic Black</i>					
TANF, SSI and Food Stamps	62.6	37.3	15.8	0.5	3.4
Earnings	20.3	39.3	62.0	88.2	83.3
Other Income	17.1	23.4	22.1	11.3	13.3
<i>Hispanic</i>					
TANF, SSI and Food Stamps	50.7	24.8	9.0	0.6	2.5
Earnings	38.3	62.7	80.4	92.1	89.3
Other Income	11.0	12.4	10.6	7.4	8.1
Age Categories					
<i>Children Ages 0-5</i>					
TANF, SSI and Food Stamps	59.9	32.8	11.3	0.3	1.9
Earnings	25.2	53.7	78.8	94.9	92.6
Other Income	14.9	13.5	9.9	4.8	5.5
<i>Children Ages 6-10</i>					
TANF, SSI and Food Stamps	59.0	31.2	10.8	0.2	1.6
Earnings	26.9	53.6	76.4	94.3	91.9
Other Income	14.1	15.1	12.8	5.5	6.5
<i>Children Ages 11-15</i>					
TANF, SSI and Food Stamps	55.7	29.1	9.9	0.2	1.3
Earnings	26.8	53.7	76.0	92.9	91.0
Other Income	17.5	17.2	14.0	6.9	7.7

over

Table IND 1c. Percentage of Total Annual Family Income from Various Sources, by Poverty Status Race/Ethnicity and Age: 2002 (continued)

	< 50% Poverty	<100% of Poverty	<200% of Poverty	200% + of Poverty	All Individuals
<i>Women Ages 16-64</i>					
TANF, SSI and Food Stamps	50.6	30.5	10.2	0.2	1.0
Earnings	29.7	47.3	70.9	90.2	88.7
Other Income	19.6	22.2	18.9	9.6	10.3
<i>Men Ages 16-64</i>					
TANF, SSI and Food Stamps	39.8	24.3	7.7	0.2	0.7
Earnings	38.8	53.8	74.6	91.3	90.2
Other Income	21.4	21.9	17.7	8.5	9.1
<i>Adults Ages 65 and over</i>					
TANF, SSI and Food Stamps	31.0	20.2	6.3	0.4	1.1
Earnings	13.9	5.5	8.8	38.2	34.4
Other Income	55.1	74.3	84.9	61.5	64.4

Note: Total income is total annual family income, including the value of food stamps. Other income is non-means-tested, non-earnings income such as child support, alimony, pensions, Social Security benefits, interest, and dividends. Poverty status categories are not mutually exclusive.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

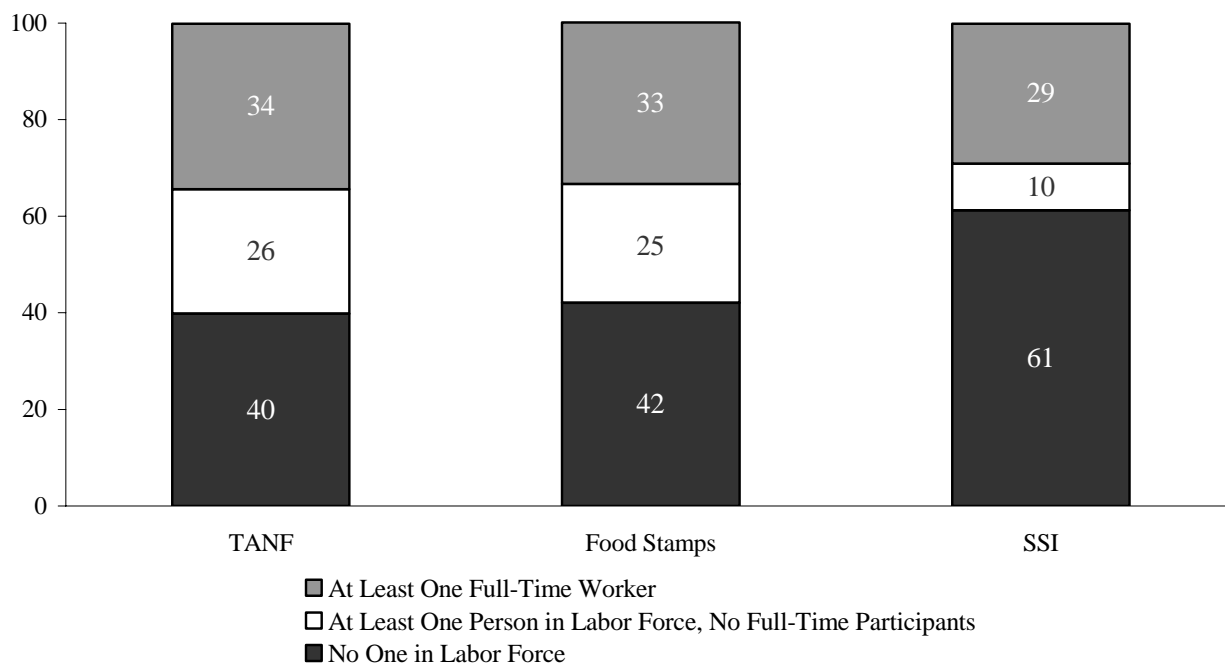
Table IND 1d. Percentage of Total Income from Various Sources: Selected Years

	< 50% Poverty	<100% of Poverty	<200% of Poverty	200% + of Poverty
1995				
TANF, SSI and Food Stamps	65.9	41.3	14.2	0.3
Earnings	22.5	40.4	64.8	85.4
Other Income	11.6	18.3	21.0	14.3
1998				
TANF, SSI and Food Stamps	58.9	32.0	10.6	0.2
Earnings	27.0	47.9	67.8	85.3
Other Income	14.1	20.1	21.6	14.5
2000				
TANF, SSI and Food Stamps	54.3	30.3	9.8	0.2
Earnings	30.5	49.5	68.7	86.7
Other Income	15.2	20.3	21.5	13.0
2002				
TANF, SSI and Food Stamps	52.6	28.8	9.4	0.2
Earnings	29.1	48.2	67.2	87.7
Other Income	18.3	23.0	23.4	12.1

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1996-2003, analyzed using the TRIM3 microsimulation model.

INDICATOR 2. RECEIPT OF MEANS-TESTED ASSISTANCE AND LABOR FORCE ATTACHMENT

Figure IND 2. Percentage of Recipients in Families with Labor Force Participants in that Month by Program: 2002



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

- About one-third of TANF and food stamp recipients lived in families with at least one full-time worker in 2002, with an additional one fourth living in families with a labor force participant who was not full time. Thus, 60 percent of TANF recipients and 58 percent of food stamp recipients were in families with at least one person in the labor force. In contrast, SSI recipients were more likely to live in families with no labor force participant.
- As shown in Table IND 2a, young children (under age six) in households receiving TANF and SSI were more likely to live with at least one full-time worker than were older children (ages 11-15) in such recipient households. There is less variation in labor force participation by age of children among households receiving food stamps.
- The percentage of AFDC/TANF recipients living in families with at least one full-time worker increased from 19 percent in 1993 to 35 percent in 1999, as shown in Table IND 2b. Since 1999, this percentage has remained around 34 to 35 percent. Lower family employment rates are reported in the TANF administrative data, which is limited to employment of family members in the TANF assistance unit and employment reported to the welfare agency (see Table TANF 7 in Appendix A).

**Table IND 2a. Percentage of Recipients in Families with Labor Force Participants, by Program
Race/Ethnicity and Age: 2002**

		No One in LF	At Least One in LF, No One FT	At Least One FT Worker
TANF	All Persons	39.8	25.8	34.3
	Non-Hispanic White	38.9	27.8	33.4
	Non-Hispanic Black	42.9	27.6	29.6
	Hispanic	40.5	22.6	36.9
	Children Ages 0-5	37.7	25.0	37.3
	Children Ages 6-10	45.1	23.8	31.1
	Children Ages 11-15	44.4	23.7	31.9
	Women Ages 16-64	39.0	27.7	33.3
	Men Ages 16-64	31.9	29.5	38.6
	Adults Ages 65 and over	60.7	13.7	25.6
FOOD STAMPS	All Persons	42.1	24.6	33.4
	Non-Hispanic White	45.1	25.4	29.5
	Non-Hispanic Black	41.5	26.5	32.0
	Hispanic	37.6	19.5	42.9
	Children Ages 0-5	33.4	25.6	41.0
	Children Ages 6-10	32.9	26.7	40.4
	Children Ages 11-15	34.7	26.4	39.0
	Women Ages 16-64	43.2	25.8	30.9
	Men Ages 16-64	41.1	26.2	32.7
	Adults Ages 65 and over	88.2	6.1	5.8
SSI	All Persons	61.2	9.7	29.0
	Non-Hispanic White	65.5	8.8	25.7
	Non-Hispanic Black	65.6	12.1	22.3
	Hispanic	52.0	9.7	38.3
	Children Ages 0-5	30.1	15.9	54.0
	Children Ages 6-10	34.8	19.5	45.7
	Children Ages 11-15	31.0	21.1	47.9
	Women Ages 16-64	68.5	9.4	22.1
	Men Ages 16-64	62.3	9.2	28.5
	Adults Ages 65 and over	65.0	6.8	28.2

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes part-time workers and those who are unemployed, laid off, and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

**Table IND 2b. Percentage of AFDC/TANF Recipients in Families with Labor Force Participants
1993-2002**

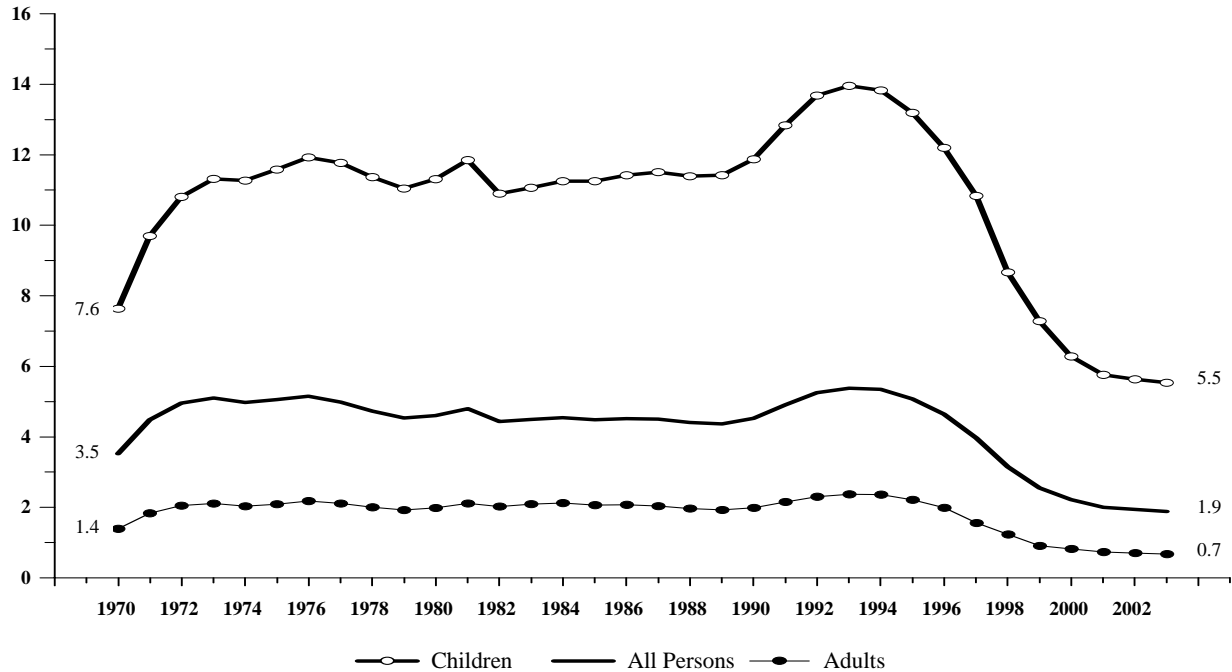
	No One in LF	At Least One in LF, No One FT	At Least One FT Worker
1993	57.0	24.2	18.8
1994	54.8	24.8	20.4
1995	50.6	24.3	25.1
1996	50.1	25.6	24.3
1997	47.6	28.0	24.4
1998	44.3	25.8	29.9
1999	40.8	24.1	35.1
2000	41.2	24.1	34.7
2001	38.7	26.0	35.3
2002	39.8	25.8	34.3

Note: Recipients are limited to those individuals or family members directly receiving benefits in a month. Full-time workers are those who usually work 35 hours or more per week. Part-time labor force participation includes those who are unemployed, laid off, and/or looking for work. This indicator measures, on an average monthly basis, the combination of individual benefit receipt and labor force participation by any family member in the same month.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2003, analyzed using the TRIM3 microsimulation model.

INDICATOR 3. RATES OF RECEIPT OF MEANS-TESTED ASSISTANCE

Figure IND 3a. Percentage of the Total Population Receiving AFDC/TANF, by Age: 1970-2003



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 (available online at <http://www.census.gov>).

- Although the survey data needed to examine overall welfare receipt and dependency are not yet available past 2002, administrative data for reciprocity measures of AFDC/TANF, food stamps, and SSI are available through 2003, as shown in Figures IND 3a, IND 3b, and IND 3c. Additional administrative data are shown in Appendix A.
- Just under 2 percent of the total population received TANF in 2003. The rate of AFDC/TANF receipt has dropped significantly since 1993, when it was at a 25-year high of over 5 percent, as shown in Table IND 3a. The 2003 rate of receipt was the lowest since the early 1960s.
- AFDC/TANF reciprocity rates have been much higher over time for children than for adults, with the child reciprocity rates also showing more pronounced changes over time. Between 1993 and 2003, AFDC/TANF receipt among children decreased by more than half (from 14 to well under 6 percent), the most rapid decline in a generation.

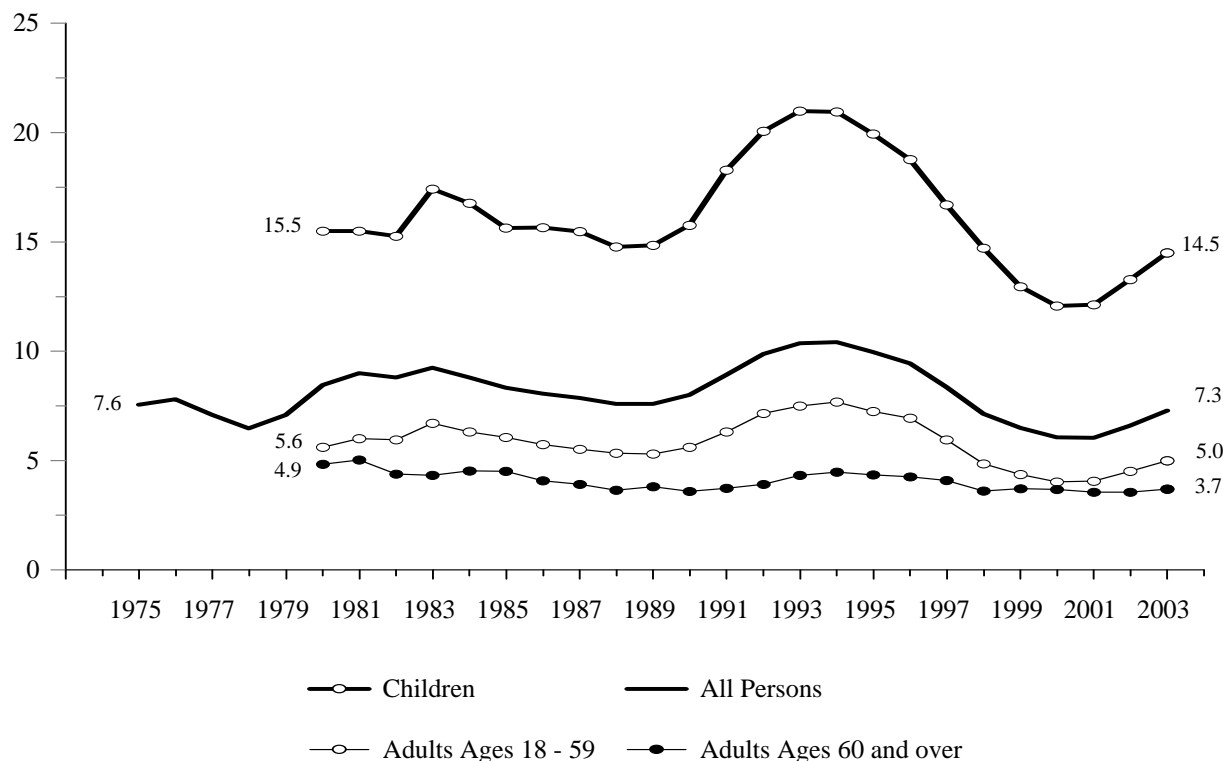
**Table IND 3a. Number and Percentage of the Total Population Receiving AFDC/TANF, by Age
1970-2003**

Fiscal Year	Total Recipients		Adult Recipients		Child Recipients	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1970	7,188	3.5	1,863	1.4	5,325	7.6
1971	9,281	4.5	2,516	1.8	6,765	9.7
1972	10,345	4.9	2,848	2.0	7,497	10.8
1973	10,760	5.1	2,984	2.1	7,776	11.3
1974	10,591	5.0	2,935	2.0	7,656	11.3
1975	10,854	5.0	3,078	2.1	7,776	11.6
1976	11,171	5.1	3,271	2.2	7,900	11.9
1977	10,933	5.0	3,230	2.1	7,703	11.8
1978	10,485	4.7	3,128	2.0	7,357	11.4
1979	10,146	4.5	3,071	1.9	7,075	11.0
1980	10,422	4.6	3,226	2.0	7,196	11.3
1981	10,979	4.8	3,491	2.1	7,488	11.8
1982	10,233	4.4	3,395	2.0	6,838	10.9
1983	10,467	4.5	3,548	2.1	6,919	11.1
1984	10,677	4.5	3,652	2.1	7,025	11.2
1985	10,630	4.5	3,589	2.0	7,041	11.2
1986	10,810	4.5	3,637	2.1	7,173	11.4
1987	10,878	4.5	3,624	2.0	7,254	11.5
1988	10,734	4.4	3,536	2.0	7,198	11.4
1989	10,741	4.4	3,503	1.9	7,238	11.4
1990	11,263	4.5	3,643	2.0	7,620	11.9
1991	12,391	4.9	4,016	2.1	8,375	12.8
1992	13,423	5.2	4,336	2.3	9,087	13.7
1993	13,943	5.4	4,519	2.3	9,424	13.9
1994	14,033	5.3	4,554	2.3	9,479	13.8
1995	13,479	5.1	4,322	2.2	9,157	13.2
1996	12,477	4.6	3,921	2.0	8,556	12.2
1997	10,779	4.0	3,106	1.5	7,673	10.8
1998	8,653	3.1	2,469	1.2	6,184	8.7
1999	7,068	2.5	1,838	0.9	5,231	7.3
2000	6,218	2.2	1,687	0.8	4,531	6.3
2001	5,674	2.0	1,504	0.7	4,171	5.7
2002	5,572	1.9	1,472	0.7	4,099	5.6
2003	5,451	1.9	1,416	0.7	4,035	5.5

Notes: See Appendix A, Tables TANF 2, TANF 12, and TANF 14, for more detailed data on reciprocity rates, including reciprocity rates by calendar year. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. Tribal TANF recipients are also excluded. Child recipients include a small number of dependents ages 18 and older who are students. The average number of adult and child recipients in 1998 and 1999 are estimated using data from the National Emergency TANF Data Files and thereafter using the National TANF Data Files.

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 (available online at <http://www.census.gov>).

Figure IND 3b. Percentage of the Total Population Receiving Food Stamps, by Age: 1975-2003



Source: U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2003*, and earlier reports, and U.S. Bureau of the Census (available online at <http://www.census.gov>).

- The food stamp reciprocity rate increased to 7.3 percent in 2003, up from a low of 6.1 percent in 2000 and 2001 – the lowest rate since the Food Stamp program became available nationwide. The 2003 reciprocity rate is still significantly below the peak of 10.4 percent experienced in 1993 and 1994.
- As with AFDC/TANF, food stamp reciprocity rates have been much higher over time for children than for adults. Between 1980 and 2003, the percentage of all children who received food stamps was between two and one-half to three times that for all adults ages 18 to 59.
- Similar trends in food stamp reciprocity – largely reflecting changes in the rate of unemployment and programmatic changes – existed across all age groups over time, as shown in Table IND 3b. The percentages of individuals receiving food stamps declined from 1984 through 1988, rose in the early 1990s until reaching a peak in 1994, declined sharply through 2000 and since then have risen somewhat in 2002 and 2003.

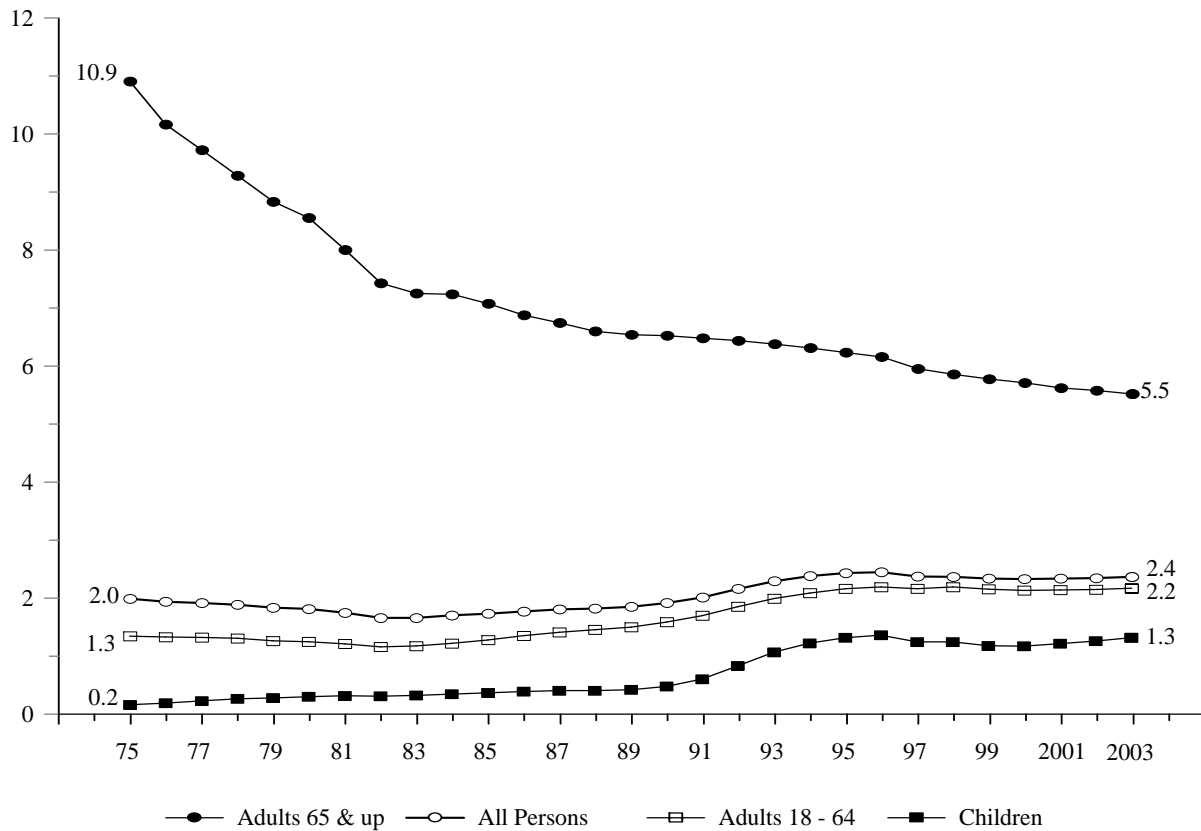
**Table IND 3b. Number and Percentage of the Total Population Receiving Food Stamps, by Age
1975-2003**

Fiscal Year	Total Recipients		Adult Recipients Ages 60 and over		Adult Recipients Ages 18-59		Child Recipients Ages 0-18	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1975	16,320	7.6	-	-	-	-	-	-
1976	17,033	7.8	-	-	-	-	9,126	13.8
1977	15,604	7.1	-	-	-	-	-	-
1978	14,405	6.5	-	-	-	-	-	-
1979	15,942	7.1	-	-	-	-	-	-
1980	19,253	8.5	1,741	4.9	7,186	5.6	9,876	15.5
1981	20,654	9.0	1,845	5.0	7,811	6.0	9,803	15.5
1982	21,754	9.4	1,641	4.4	7,838	6.0	9,591	15.3
1983	21,668	9.3	1,654	4.4	8,960	6.7	10,910	17.4
1984	20,796	8.8	1,758	4.5	8,521	6.3	10,492	16.8
1985	19,847	8.3	1,783	4.5	8,258	6.1	9,906	15.8
1986	19,381	8.1	1,631	4.1	7,895	5.7	9,844	15.7
1987	19,072	7.9	1,589	3.9	7,684	5.5	9,771	15.5
1988	18,613	7.6	1,500	3.7	7,506	5.3	9,351	14.8
1989	18,778	7.6	1,582	3.8	7,560	5.3	9,429	14.9
1990	20,020	8.0	1,511	3.6	8,084	5.6	10,127	15.8
1991	22,599	8.9	1,593	3.8	9,190	6.3	11,952	18.3
1992	25,369	9.9	1,687	3.9	10,550	7.2	13,349	20.1
1993	26,952	10.4	1,876	4.3	11,214	7.5	14,196	21.0
1994	27,433	10.4	1,955	4.5	11,615	7.7	14,391	21.0
1995	26,579	10.0	1,920	4.4	11,105	7.3	13,860	20.0
1996	25,494	9.5	1,891	4.3	10,769	7.0	13,189	18.8
1997	22,820	8.4	1,831	4.1	9,373	6.0	11,847	16.7
1998	19,745	7.2	1,635	3.6	7,760	4.9	10,524	14.7
1999	18,146	6.5	1,696	3.7	7,079	4.4	9,332	13.0
2000	17,156	6.1	1,700	3.7	6,612	4.0	8,743	12.1
2001	17,280	6.1	1,658	3.6	6,778	4.1	8,819	12.1
2002	19,058	6.6	1,684	3.6	7,625	4.5	9,688	13.3
2003	21,223	7.3	1,786	3.7	8,503	5.0	10,605	14.5

Note: See Appendix A, Tables FSP 1 and FSP 6 for more detailed data on reciprocity rates. Recipients are expressed as the fiscal year average of monthly caseloads from administrative data, excluding recipients in the territories. From 1975 to 1983 the number of participants includes the Family Food Assistance Program (FFAP) that was largely replaced by the Food Stamp program in 1975. From 1975 to 1983 the number of FFAP participants averaged only 88 thousand.

Source: Total recipient program data are available at <http://www.fns.usda.gov/pd/fspmain.htm>. Individual age groups do not sum exactly to total participants; they are drawn from USDA, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2003*, and earlier reports. The population denominators for the percents in each category are from U.S. Bureau of the Census (available online at <http://www.census.gov>).

Figure IND 3c. Percentage of the Total Population Receiving SSI, by Age: 1975-2003



Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004* (available online at <http://www.ssa.gov/statistics>) and U.S. Bureau of the Census (available online at <http://www.census.gov>).

- Unlike the reciprocity rates for AFDC/TANF and food stamps, which have been influenced by outside factors such as the economy and welfare reform, overall reciprocity rates for SSI show less variation over time. After trending downward slightly from 1975 to the early 1980s, the proportion of the total population that receives SSI has risen from 1.7 percent in 1985 to 2.5 percent in 1996 and subsequently declined slightly to 2.4 percent. As shown in Table IND 3c, the total number of recipients has grown by 67 percent over the same period, from 4.1 million in 1985 to 6.9 million people in 2003.
- Elderly adults (ages 65 and older) have much higher reciprocity rates than any other age group. The gap has narrowed, however, as the percentage of adults aged 65 and older receiving SSI has been cut nearly in half, declining from 10.9 percent in 1975 to 5.5 percent in 2003.
- The proportion of children receiving SSI increased gradually between 1975 and 1990, and grew more rapidly in the early and mid-1990s, reaching a high of 1.4 percent in 1996. The rate has since fallen slightly, with 1.3 percent of children receiving SSI in 2003.

Table IND 3c. Number and Percentage of the Total Population Receiving SSI, by Age: 1975-2003

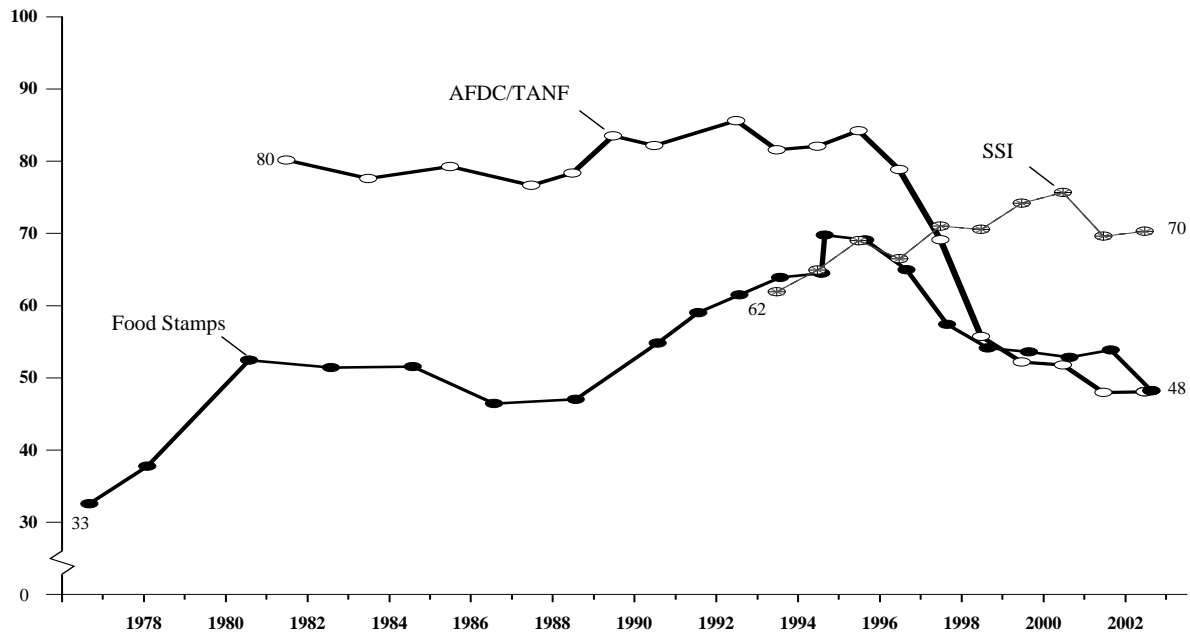
Date	Total Recipients		Adult Recipients Ages 65 & over		Adult Recipients Ages 18-64		Child Recipients Ages 0-18	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
Dec 1975	4,314	2.0	2,508	10.9	1,699	1.3	107	0.2
Dec 1976	4,236	1.9	2,397	10.2	1,714	1.3	125	0.2
Dec 1977	4,238	1.9	2,353	9.7	1,738	1.3	147	0.2
Dec 1978	4,217	1.9	2,304	9.3	1,747	1.3	166	0.3
Dec 1979	4,150	1.8	2,246	8.8	1,727	1.3	177	0.3
Dec 1980	4,142	1.8	2,221	8.6	1,731	1.2	190	0.3
Dec 1981	4,019	1.7	2,121	8.0	1,703	1.2	195	0.3
Dec 1982	3,858	1.7	2,011	7.4	1,655	1.2	192	0.3
Dec 1983	3,901	1.7	2,003	7.3	1,700	1.2	198	0.3
Dec 1984	4,029	1.7	2,037	7.2	1,780	1.2	212	0.3
Dec 1985	4,138	1.7	2,031	7.1	1,879	1.3	227	0.4
Dec 1986	4,269	1.8	2,018	6.9	2,010	1.3	241	0.4
Dec 1987	4,385	1.8	2,015	6.7	2,119	1.4	251	0.4
Dec 1988	4,464	1.8	2,006	6.6	2,203	1.5	255	0.4
Dec 1989	4,593	1.9	2,026	6.5	2,302	1.5	265	0.4
Dec 1990	4,817	1.9	2,059	6.5	2,450	1.6	309	0.5
Dec 1991	5,118	2.0	2,080	6.5	2,642	1.7	397	0.6
Dec 1992	5,566	2.2	2,100	6.5	2,910	1.9	556	0.8
Dec 1993	5,984	2.3	2,113	6.4	3,148	2.0	723	1.1
Dec 1994	6,296	2.4	2,119	6.3	3,335	2.1	841	1.2
Dec 1995	6,514	2.5	2,115	6.3	3,482	2.2	917	1.3
Dec 1996	6,630	2.5	2,110	6.2	3,568	2.2	955	1.4
Dec 1997	6,495	2.4	2,054	6.0	3,562	2.2	880	1.3
Dec 1998	6,566	2.4	2,033	5.9	3,646	2.2	887	1.3
Dec 1999	6,557	2.4	2,019	5.8	3,691	2.2	847	1.2
Dec 2000	6,602	2.3	2,011	5.7	3,744	2.1	847	1.2
Dec 2001	6,688	2.3	1,995	5.6	3,811	2.1	882	1.2
Dec 2002	6,788	2.3	1,995	5.6	3,878	2.1	915	1.3
Dec 2003	6,902	2.4	1,990	5.5	3,953	2.2	959	1.3

Note: December population figures used as the denominators are obtained by averaging the Census Bureau's July 1 population estimates for the current and the following year. See Appendix A, Tables SSI 2, SSI 8, and SSI 9 for more detailed data on SSI reciprocity rates.

Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004* (available online at <http://www.ssa.gov/statistics>) and U.S. Bureau of the Census (available online at <http://www.census.gov>).

INDICATOR 4. RATES OF PARTICIPATION IN MEANS-TESTED ASSISTANCE PROGRAMS

Figure IND 4. Participation Rates in the AFDC/TANF, Food Stamp and SSI Programs Selected Years



Source: AFDC and SSI participation rates are tabulated using the TRIM3 microsimulation model, while food stamp participation rates are from a Mathematica Policy Research, Inc. model. See Tables IND 4a, IND 4b, and IND 4c for details.

- Whereas Indicator 3 examined participants as a percentage of the total population (reciprocity rates), this indicator examines participating families or households as a percentage of the estimated eligible population (participation rates, also known as “take-up” rates).
- Only 48 percent of the families estimated as eligible for TANF cash assistance actually enrolled and received benefits in an average month in 2002. This is significantly lower than AFDC participation rates, which ranged from 77 percent to 86 percent between 1981 and 1996. See Table IND 4a for further information.
- After rising steadily over the past several years, the SSI participation rate dropped in 2001, with very little change between 2001 and 2002. At 70 percent it still is much higher than recent TANF and Food Stamp participation rates. See Table IND 4c for details by age and disability status.

Table IND 4a. Number and Percentage of Eligible Families Participating in AFDC/TANF Selected Years

Calendar Year	Eligible Families (millions)	Participating Families (millions)	Participation Rate (percent)
1981	4.78	3.84	80.2
1983	4.75	3.69	77.7
1985	4.67	3.70	79.3
1987	4.92	3.78	76.7
1988	4.78	3.75	78.4
1989	4.54	3.80	83.6
1990	4.93	4.06	82.2
1992	5.64	4.83	85.7
1993	6.14	5.01	81.7
1994 (revised)	6.13	5.03	82.1
1995	5.69	4.80	84.3
1996	5.62	4.43	78.9
1997 (adjusted)	5.41	3.74	69.2
1998 (adjusted)	5.47	3.05	55.8
1999	5.07	2.65	52.3
2000	4.44	2.30	51.8
2001	4.56	2.19	48.0
2002	4.58	2.20	48.1

Note: Participation rates are estimated by an Urban Institute model (TRIM3) that uses CPS data to simulate AFDC/TANF eligibility and participation for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, since 1994 the model has been revised to more accurately estimate SSI participation among children, and in 1997 and 1998 the model was adjusted to more accurately exclude ineligible immigrants. In contrast to editions prior to 2004, this table includes families receiving assistance under Separate State Programs. Note that families subject to full-family sanctions are counted as nonparticipating eligible families due to modeling limitations. Although the coverage rate estimates take into account the number of families who lost aid due to the time limit (and do not count such families in the denominator of the coverage rate estimate), they do not make any allowance for families staying off of TANF to conserve their time-limited assistance months. Also, the numbers of eligible and participating families include the territories and pregnant women without children, even though these two small groups are excluded from the TRIM model. The numbers shown here implicitly assume that participation rates for the territories and for pregnant women with no other children are the same as for all other eligibles.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, caseload tabulations and unpublished tabulations from the TRIM3 microsimulation model.

- Between 2001 and 2002, there was essentially no change in the number of eligible families for the TANF program.
- After falling every year from 1994 to 2001, both caseloads and participation rates remained fairly steady between 2001 and 2002.
- Participating families includes families receiving cash assistance only. Families who receive services and benefits other than cash assistance are not included in the participation rate.

Table IND 4b. Number and Percentage of Eligible Households Participating in the Food Stamp Program: Selected Years

Date	Eligible Households (millions)	Participating Households (millions)	Participation Rate (percent)
September 1976	16.3	5.3	32.6
February 1978	14.0	5.3	37.8
August 1980	14.0	7.4	52.5
August 1982	14.5	7.5	51.5
August 1984	14.2	7.3	51.6
August 1986	15.3	7.1	46.5
August 1988	14.9	7.0	47.1
August 1990	14.5	8.0	54.9
August 1991	15.6	9.2	59.1
August 1992	16.7	10.2	61.6
August 1993	17.0	10.9	64.0
September 1994 (revised)	15.3	10.7	69.6
September 1995	15.0	10.4	69.2
September 1996	15.3	9.9	65.1
September 1997	14.7	8.4	57.5
September 1998	14.0	7.6	54.2
September 1999	13.7	7.3	53.0
Fiscal Year 1999	14.5	7.5	51.7
Fiscal Year 2000	14.3	7.2	50.1
Fiscal Year 2001	15.2	7.3	48.0
Fiscal Year 2002	16.6	8.0	48.3

Note: Eligible households are estimated from a Mathematica Policy Research, Inc. model that uses CPS data to simulate the Food Stamp Program. Caseload data are from USDA, FNS program operations caseload data. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. Most notably, the model was revised in 1994 to produce more accurate (and lower) estimates of eligible households. The original 1994 estimate and estimates for previous years show higher estimates of eligibles and lower participation rates relative to the revised estimate for 1994 and estimates for subsequent years. The two estimates for 1999 are due to reweighting of the March 2000 – 2003 CPS files to Census 2000 and revised methodologies for determining food stamp eligibility. The original estimate (September 1999) is consistent methodologically with estimates from September 1994 – September 1998, while the revised estimate (FY 1999) is consistent with the estimates for FY 2000 - FY 2002.

Source: U.S. Department of Agriculture, Food and Nutrition Service, *Trends in Food Stamp Program Participation Rates: 1999 to 2002*, September 2004.

- Between fiscal years 1999 and 2002 there was a 14 percent increase in households eligible for the Food Stamp Program (from 14.5 to 16.6 million households). Caseloads grew at a lower rate (6 percent increase) over the same period. The net effect was a decrease in the estimated participation rate, from 52 to 48 percent.
- Over the longer run, there was a 32 percent drop in food stamp caseloads, from a peak of nearly 11 million households in 1994 to just over 7 million in 1999. This decline in caseloads occurred during a time when both the eligible population and the program participation rates were generally decreasing. These longer-term decreases are considerably larger than the increases between 1999 and 2002.

**Table IND 4c. Percentage of Eligible Adult Units Participating in the SSI Program, by Type
1993-2002**

	All Adult Units	One-Person Units		Married-Couple Units
		Aged	Disabled	
1993	62.0	57.0	71.0	37.0
1994	65.0	58.4	73.0	43.9
1995	69.1	64.9	74.0	52.2
1996	66.6	60.4	73.5	46.7
1997	71.1	62.7	79.4	49.1
1998	70.7	63.6	77.9	48.1
1999	74.3	65.8	83.3	47.8
2000	75.8	70.9	82.3	49.9
2001	69.7	64.4	75.9	45.7
2002	70.4	61.9	78.3	47.9

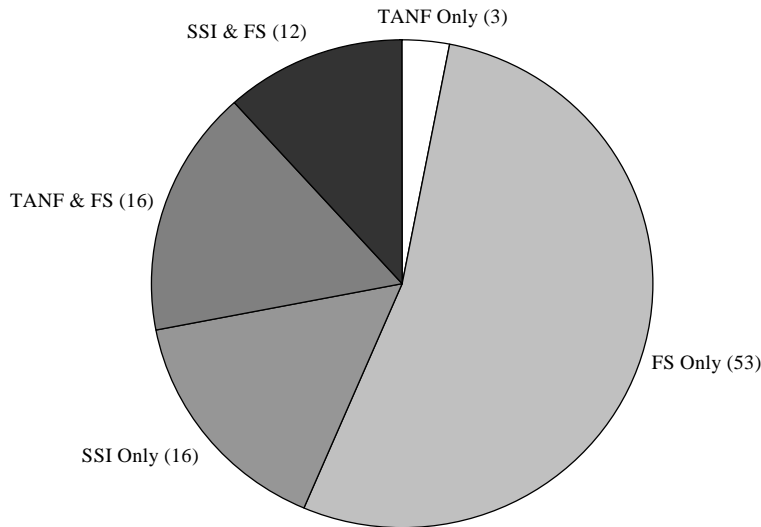
Note: Participation rates are estimated using the TRIM3 microsimulation model that uses CPS data to simulate SSI eligibility for an average month, by calendar year. There have been small changes in estimating methodology over time, due to model improvements and revisions to the CPS. In particular, the model was revised in 1997 to more accurately exclude ineligible immigrants. Thus the increased participation rate in 1997 is partly due to a revision in estimating methodology. Also note that the figures for married-couple units are based on very small sample sizes—for example, married-couple units were only about 7.5 percent of the eligible adults units and 5.1 percent of the units receiving SSI in the average month of 1998.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2003, analyzed using the TRIM3 microsimulation model.

- After a drop in the SSI participation rate among adult units between 2000 and 2001, the rate held fairly constant at about 70 percent between 2001 and 2002.
- The decline in the participation rates among aged one-person units continued for a second year, bringing the level down to 62 percent, a cumulative decline since 2000 of 9 percentage points.
- The rates for both disabled one-person units and married-couple units that are either aged or disabled edged upwards in 2002 after declines in the previous year.
- In 2002, as in past years, disabled adults in one-person units had a higher participation rate (78 percent) than both aged adults in one-person units (62 percent) and adults in married-couple units (48 percent).

INDICATOR 5. MULTIPLE PROGRAM RECEIPT

Figure IND 5. Percentage of Population Receiving Assistance from Multiple Programs (TANF, Food Stamps, SSI), among Those Receiving Assistance: 2002



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

- Of the almost 9 percent of the population in families receiving TANF, food stamps, or SSI benefits in an average month in 2002, about two-thirds (72 percent) received assistance from only one program. Most of these families received food stamps or SSI benefits only. However, other common patterns include food stamp and TANF receipt (16 percent) and food stamp and SSI receipt (12 percent).
- Children are more likely than other age groups to live in families receiving TANF and/or food stamps. For example, 17 percent of children under six lived in families receiving any public assistance in an average month in 2002, and 5 percent of children under six lived in families receiving both TANF and food stamps, as shown in Table IND 5a.
- The percentage of individuals receiving assistance from at least one program among AFDC/TANF, food stamps, and SSI in an average month decreased during the mid- and late 1990s (from 13 percent in 1994 to 8 percent in 2000). It increased to 8.5 percent in 2002, largely due to an increase in families receiving food stamps only, as shown in Table IND 5b.

Table IND 5a. Percentage of Population Receiving Assistance from Multiple Programs (TANF, Food Stamps, SSI), by Race/Ethnicity and Age: 2002

	Any Receipt	One Program Only			Two Programs	
		TANF	FS	SSI	TANF & FS	FS & SSI
All Persons	8.5	0.3	4.5	1.3	1.4	1.0
Racial/Ethnic Categories						
Non-Hispanic White	5.4	0.1	2.9	1.0	0.7	0.7
Non-Hispanic Black	20.8	0.4	12.2	2.3	3.5	2.5
Hispanic	12.7	0.7	6.1	1.9	2.7	1.2
Age Categories						
Children Ages 0-5	16.7	0.8	9.9	0.6	4.8	0.6
Children Ages 6-10	14.2	0.6	9.1	0.6	3.5	0.5
Children Ages 11-15	12.0	0.5	7.2	0.8	2.8	0.7
Women Ages 16-64	8.0	0.2	4.4	1.1	1.3	1.1
Men Ages 16-64	5.2	0.1	2.7	1.3	0.4	0.7
Adults Ages 65 and over	7.7	0.0	1.9	3.4	0.0	2.4

Note: Categories are mutually exclusive. SSI receipt is based on individual receipt; AFDC/TANF and food stamp receipt are based on the full recipient unit. In practice, individuals do not tend to receive both AFDC/TANF and SSI; hence, no individual receives benefits from all three programs. The percentage of individuals receiving assistance from any one program in an average month (shown here) is lower than the percentage residing in families receiving assistance over the course of a year (shown in Table SUM 1 in Chapter I and Table IND 1a in Chapter II).

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1994-2003, analyzed using the TRIM3 microsimulation model.

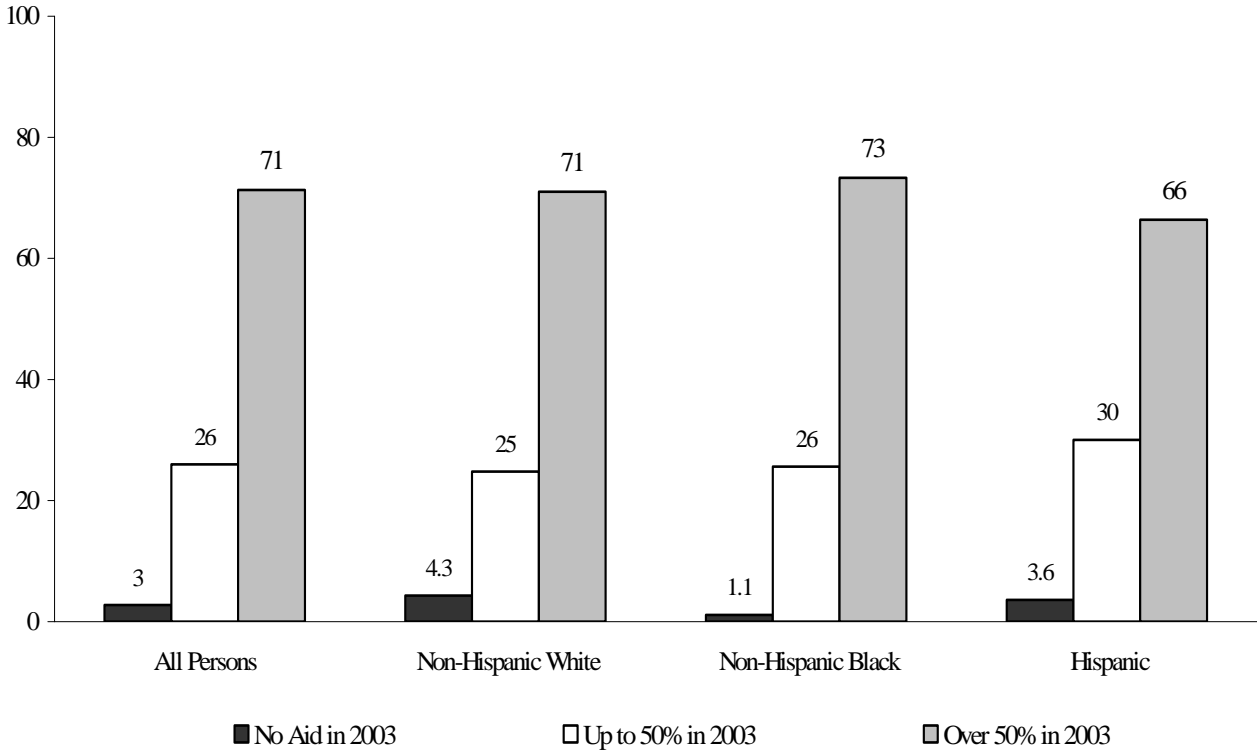
Table IND 5b. Percentage of Population Receiving Assistance from Multiple Programs (AFDC/TANF, Food Stamps, SSI): 1993-2002

	Any Receipt	One Program Only			Two Programs	
		AFDC/ TANF	FS	SSI	AFDC/TANF & FS	FS & SSI
1993	12.6	0.6	5.2	1.1	4.8	1.0
1994	12.8	0.5	5.3	1.2	4.6	1.1
1995	12.3	0.4	5.0	1.2	4.5	1.1
1996	12.0	0.3	5.3	1.2	4.0	1.1
1997	10.2	0.4	4.3	1.3	3.1	1.0
1998	9.0	0.4	3.9	1.4	2.4	0.9
1999	8.5	0.4	3.8	1.3	2.0	1.0
2000	8.1	0.2	3.8	1.4	1.7	1.0
2001	8.1	0.3	3.9	1.4	1.5	1.0
2002	8.5	0.3	4.5	1.3	1.4	1.0

See above for note and source.

INDICATOR 6. DEPENDENCE TRANSITIONS

Figure IND 6. Dependency Status in 2003 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 2002, by Race/Ethnicity



Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Recipients of means-tested assistance were more likely to move out of dependency in the early 2000s than in the early 1990s. About three-tenths (29 percent) of recipients who received more than 50 percent of their total income from means-tested assistance programs in 2002 transitioned out of this dependency status in 2003. The comparable transition rate was only 20 percent between 1993 and 1994, as shown in Table IND 6b.
- Of the recipients who received more than 50 percent of their total income from AFDC/TANF, food stamps, and/or SSI in 2002, Hispanics were less likely to be dependent in 2003 than non-Hispanic whites and non-Hispanic blacks.
- As shown in Table IND 6a, men between the ages of 16 and 64 who received more than half of their total income from means-tested assistance programs in 2002 remained dependent in 2003 in higher percentages than women.

Table IND 6a. Dependency Status in 2003 of Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in 2002, by Race/Ethnicity and Age

Individuals Receiving More than 50% of Income from Assistance in 2002	Total (thousands)	Percentage of Persons Receiving		
		No Aid in 2003	Up to 50% in 2003	Over 50% in 2003
All Persons	6,047	2.7	26.0	71.3
Racial/Ethnic Categories				
Non-Hispanic White	2,161	4.3	24.8	71.0
Non-Hispanic Black	2,202	1.1	25.6	73.3
Hispanic	1,179	3.6	30.0	66.4
Age Categories				
Children Ages 0-5	860	3.8	34.1	62.1
Children Ages 6-10	711	0.0	29.5	70.5
Children Ages 11-15	632	1.0	25.0	74.0
Women Ages 16-64	2,266	3.9	27.6	68.6
Men Ages 16-64	1,111	3.2	18.6	78.2
Adults Ages 65 and over	446	0.9	17.1	82.0

Note: Means-tested assistance is defined as AFDC/TANF, food stamps, and SSI. While only affecting a small number of cases, General Assistance income is included within AFDC/TANF income. Individuals are defined as dependent if they reside in families with more than 50 percent of total annual family income from these means-tested programs.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Individual age categories do not add to total because of a small number of people not reporting age.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

Table IND 6b. Dependency Status of All Persons Who Received More than 50 Percent of Income from Means-Tested Assistance in Previous Year

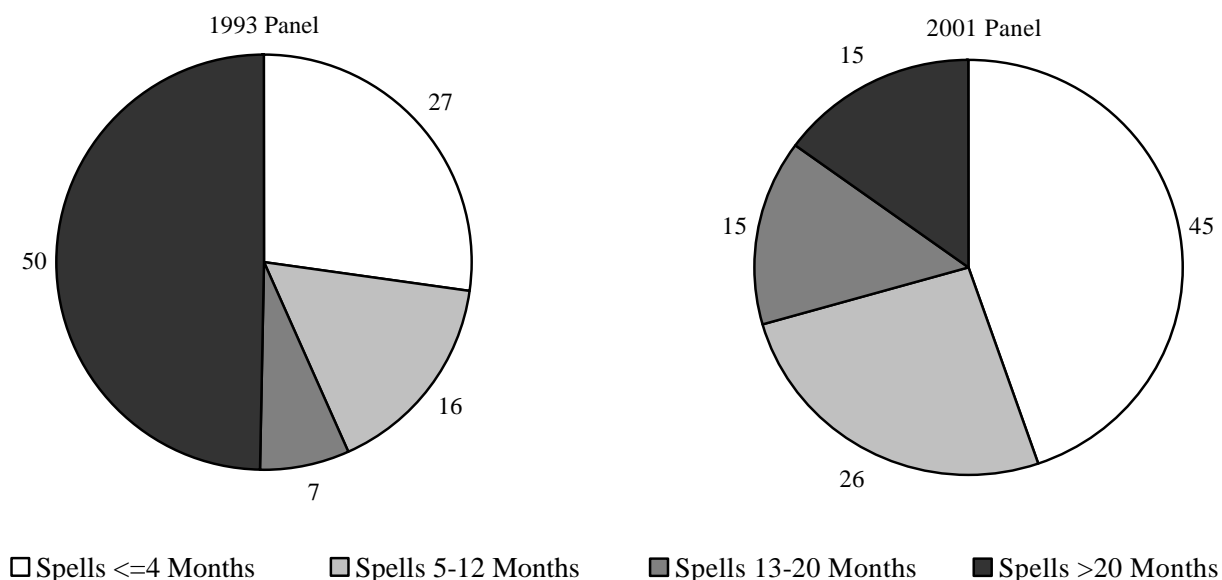
Transitions from:	Total (thousands)	Percentage of Persons Receiving		
		No Aid in Second Year	Up to 50% in Second Year	Over 50% in Second Year
1993 to 1994	14,810	1.6	18.6	79.8
1994 to 1995	13,986	2.7	18.8	78.5
1997 to 1998	9,672	3.1	28.8	68.1
1998 to 1999	8,163	2.9	27.1	70.0
2001 to 2002	6,453	1.3	28.0	70.7
2002 to 2003	6,047	2.7	26.0	71.3

Note: Because full calendar year data for 1995 were not available for all SIPP respondents, some transitions between 1994 and 1995 were based on twelve-month periods that did not correspond exactly to calendar years.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

INDICATOR 7. DEPENDENCE SPELL DURATION

Figure IND 7. Percentage of AFDC/TANF Spells of Individuals in Families with No Labor Force Participants and Entering Programs during the 1993 and 2001 SIPP Panels, by Length of Spell



Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993 and 2001 panels.

- In the early 2000s, 45 percent of TANF spells for individuals in families with no one in the labor force ended within four months and over two-thirds (71 percent) ended within a year. These spells are measured for individuals living in families with no labor force participants at the start of 2001 who entered TANF between 2001 and 2003.
- Spells were much longer for families entering AFDC between 1993 and 1995, as shown in Figure IND 7 and Table IND 7b. Half (50 percent) of AFDC/TANF spells for individuals in families where no one participated in the labor force lasted more than 20 months in the 1993 SIPP panel, compared with only 15 percent of that length in the 2001 SIPP panel.
- As shown in Table IND 7a, the percentage of TANF spells ending in four months or less were larger for non-Hispanic whites (57 percent) than for non-Hispanic blacks (47 percent) and Hispanics (47 percent).
- Spells shown in Indicator 7 are limited to spells of recipients in families without any labor force participation at the start of each panel. Spell lengths, on average, are slightly shorter in Indicator 8, which shows spells for *all* recipients, including those in families with labor force participants. For example, whereas 45 percent of spells between 2001 and 2003 shown in Figure IND 7 end in four months or less, 50 percent of all TANF spells during the same time period end in four months or less, as shown in Figure IND 8.

Table IND 7a. Percentage of TANF Spells of Individuals in Families with No Labor Force Participants and Entering Programs during the 2001 SIPP Panel, by Length of Spell, Race/Ethnicity and Age

	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
All Persons	44.7	25.9	14.6	14.9
Racial/Ethnic Categories				
Non-Hispanic White	56.7	14.0	18.0	11.2
Non-Hispanic Black	47.0	21.8	11.0	20.2
Hispanic	46.8	33.6	9.3	10.3
Age Categories				
Ages 0-15 Years	39.4	25.2	18.8	16.6
Ages 16-64 Years	54.4	22.8	9.5	13.3

Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. TANF spells are defined as those spells starting during the 2001 SIPP panel for individuals in families with no labor force participants at the start of the panel.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

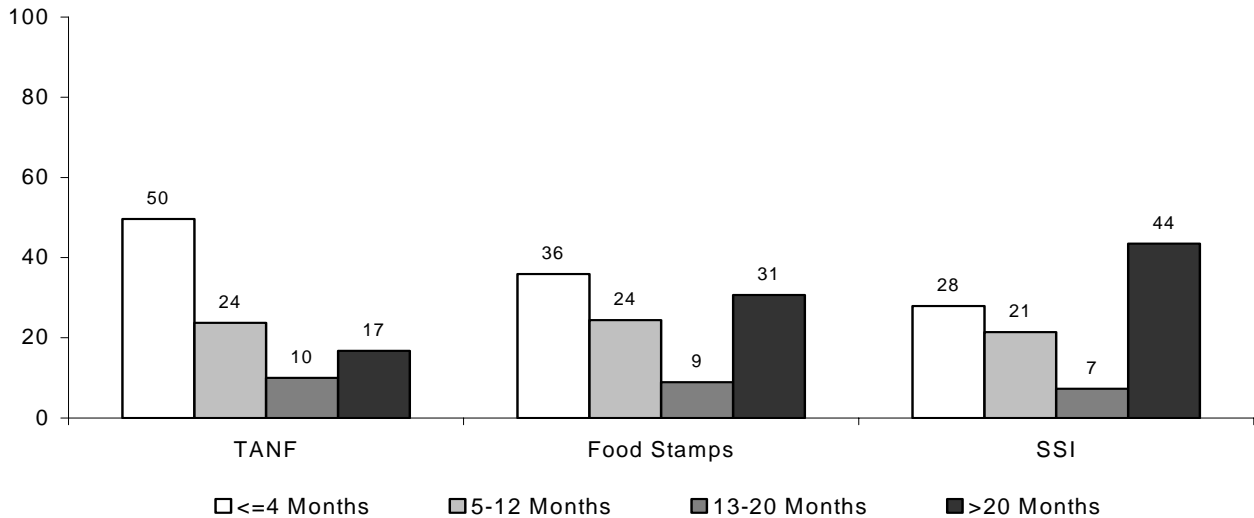
Table IND 7b. Percentage of AFDC/TANF Spells of Individuals in Families with No Labor Force Participants and Entering Programs during the 1993, 1996 and 2001 SIPP Panels

	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
1993 Panel All Persons	27.2	16.2	6.9	49.7
1996 Panel All Persons	40.5	27.5	13.3	18.7
2001 Panel All Persons	44.7	25.9	14.6	14.9

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

INDICATOR 8. PROGRAM SPELL DURATION

Figure IND 8. Percentage of TANF, Food Stamp and SSI Spells for Individuals Entering Programs during the 2001 SIPP Panel, by Length of Spell



Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Between the years 2001 and 2003, short spells lasting 4 months or less accounted for about 50 percent of TANF spells, 36 percent of food stamp spells, and 28 percent of SSI spells.
- Approximately three-fourths of all TANF spells (73 percent) and three-fifths of food stamp spells (60 percent) lasted one year or less. In contrast, only 49 percent of SSI spells ended within one year.
- As shown in Table IND 8a, for TANF spells, a smaller percentage of long spells (lasting more than 20 months) occurred among non-Hispanic whites compared to non-Hispanic blacks and Hispanics. In contrast, these groups did not differ greatly in the percentage of long spells for food stamps.
- Spells of welfare receipt were shorter in the early 2000s than in the early 1990s, as shown in Table IND 8b. For example, only 17 percent of TANF spells for individuals entering TANF between 2001 and 2003 lasted 20 months or longer, compared with 34 percent of AFDC spells beginning between 1992 and 1994.
- Length of TANF receipt varies across states, as shown in Appendix Table TANF 17, which shows an alternative measure of length of TANF receipt, using state administrative data.

Table IND 8a. Percentage of TANF, Food Stamp and SSI Spells for Individuals Entering Programs during the 2001 SIPP Panel, by Length of Spell, Race/Ethnicity and Age

		Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
TANF	All Recipients	49.6	23.7	10.0	16.8
	Racial/Ethnic Categories				
	Non-Hispanic White	51.4	23.7	13.1	11.9
	Non-Hispanic Black	50.6	23.5	6.8	19.1
	Hispanic	51.7	20.1	8.4	19.8
	Age Categories				
	Ages 0-5 Years	50.0	24.0	11.9	14.1
	Ages 6-10 Years	45.4	21.5	8.5	24.6
	Ages 11-15 Years	43.7	25.3	12.4	18.6
	Ages 16-64 Years	52.9	24.2	8.4	14.4
	65 Years and Older	NA	NA	NA	NA
FOOD STAMPS	All Recipients	35.9	24.4	8.9	30.7
	Racial/Ethnic Categories				
	Non-Hispanic White	35.9	25.8	8.0	30.3
	Non-Hispanic Black	32.2	23.7	11.7	32.4
	Hispanic	40.5	22.5	7.8	29.2
	Age Categories				
	Ages 0-5 Years	27.7	25.6	12.9	33.8
	Ages 6-10 Years	28.6	27.4	10.7	33.3
	Ages 11-15	31.8	28.1	9.6	30.6
	Ages 16-64	40.3	23.9	7.5	28.4
	65 Years and Older	30.0	12.5	9.6	48.0
SSI	All Recipients	27.9	21.4	7.3	43.5
	Racial/Ethnic Categories				
	Non-Hispanic White	31.3	19.8	7.9	41.0
	Non-Hispanic Black	26.9	25.3	7.1	40.7
	Hispanic	23.7	18.8	7.3	50.2
	Age Categories				
	Ages 0-10	NA	NA	NA	NA
	Ages 11-15	31.2	18.8	3.9	46.1
	Ages 16-64	29.4	20.9	7.2	42.5
	65 Years and Older	22.7	23.2	8.4	45.7

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed. TANF spells are defined as those starting during the 2001 SIPP Panel. For certain age categories, data are not available (NA) because of insufficient sample size.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

Table IND 8b. Percentage of AFDC/TANF, Food Stamp and SSI Spells for Individuals Entering Programs during the 1992, 1993, 1996 and 2001 SIPP Panels

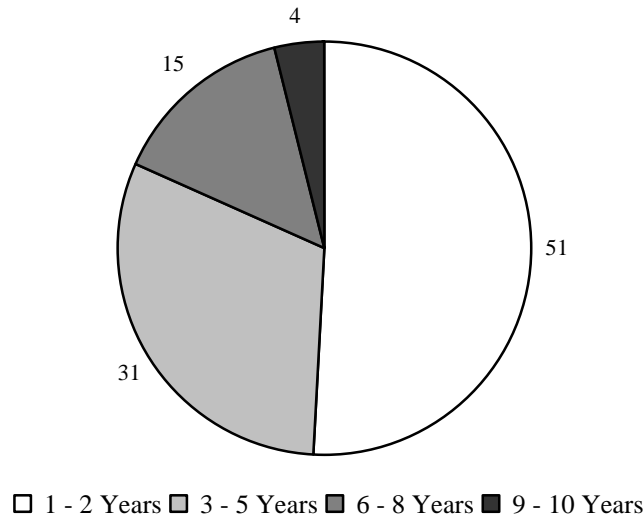
	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
1992 Panel				
AFDC	30.4	24.7	10.5	34.4
Food Stamps	33.4	24.9	10.2	31.5
SSI	25.7	8.9	4.8	60.6
1993 Panel				
AFDC	30.7	25.4	12.5	31.4
Food Stamps	33.1	26.8	10.1	30.0
SSI	24.0	7.9	4.7	63.4
1996 Panel				
AFDC/TANF	46.6	29.2	11.5	12.7
Food Stamps	43.1	27.7	9.3	19.8
SSI	34.1	19.2	9.1	37.6
2001 Panel				
TANF	49.6	23.7	10.0	16.8
Food Stamps	35.9	24.4	8.9	30.7
SSI	27.9	21.4	7.3	43.5

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1992, 1993, 1996 and 2001 Panels.

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INDICATOR 9. LONG-TERM RECEIPT

Figure IND 9. Percentage of AFDC/TANF Recipients, by Years of Receipt between 1991 and 2000



Source: Unpublished tabulations from the Panel Study of Income Dynamics, public release data files, 1992-2001.

- Among all persons receiving AFDC/TANF at some point in the ten-year period ending in 2000, about half (51 percent) received assistance in only one or two of these years. Less than one third (31 percent) received AFDC/TANF in three to five years, and less than one fifth (19 percent) received AFDC/TANF during more than five of the ten years.
- A larger percentage of child recipients experienced long-term receipt (some receipt in at least six of the ten years) and a smaller percentage experienced short-term receipt (receipt in only one or two years) in all three time periods relative to the percentages for all recipients, as shown in Table IND 9.
- Longer-term welfare receipt was much less common during the 1990s compared to earlier decades. Less than 4 percent of those with some AFDC/TANF assistance between 1991 and 2000 received at least one assistance payment in nine or ten years of the period, compared to 12 percent and 13 percent of AFDC recipients in the earlier two time periods.
- In the two ten-year time periods between 1971-1990, there was a large percentage difference in short-term AFDC receipt between all black and non-black recipients. In the ten-year period ending in 2000, this percentage difference was much smaller, with 49 percent of blacks and 53 percent of non-blacks receiving AFDC/TANF in only one or two years.

Table IND 9. Percentage of AFDC/TANF Recipients across Three Ten-Year Time Periods, by Years of Receipt, Race and Age

All Races:

	All Recipients			Child Recipients 0-5		
	1971-1980	1981-1990	1991-2000	1971-1980	1981-1990	1991-2000
Years Received AFDC/TANF						
1-2 Years	44.0	44.8	50.9	36.3	36.1	37.9
3-5 Years	30.1	26.5	30.9	28.1	24.1	33.9
6-8 Years	12.5	16.4	14.5	17.9	20.5	23.3
9-10 Years	13.3	12.2	3.8	17.7	19.4	4.9

Black:

	All Recipients			Child Recipients 0-5		
	1971-1980	1981-1990	1991-2000	1971-1980	1981-1990	1991-2000
Years Received AFDC/TANF						
1-2 Years	30.8	35.8	48.6	24.2	26.9	37.7
3-5 Years	31.9	28.4	24.2	28.4	25.7	28.2
6-8 Years	18.6	17.5	NA	24.7	18.7	NA
9-10 Years	18.7	18.4	NA	22.8	28.7	NA

Non-Black:

	All Recipients			Child Recipients 0-5		
	1971-1980	1981-1990	1991-2000	1971-1980	1981-1990	1991-2000
Years Received AFDC/TANF						
1-2 Years	51.0	51.3	52.6	45.0	43.0	38.2
3-5 Years	29.2	25.2	36.0	27.8	22.9	38.7
6-8 Years	9.4	15.7	NA	13.1	21.8	NA
9-10 Years	10.5	7.9	NA	14.1	12.3	NA

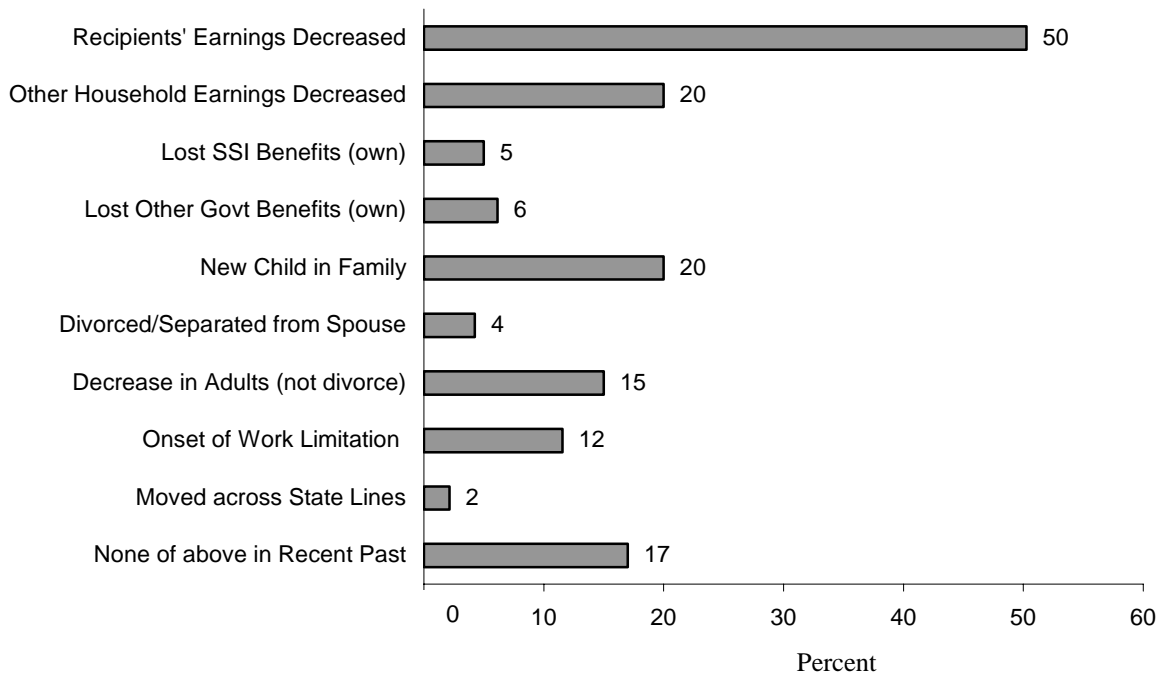
Note: The base for the percentages consists of individuals receiving at least \$1 of AFDC/TANF in any year in the ten-year period. Child recipients are defined by age in the first year of the 10-year period. This indicator measures years of reciprocity over the specified ten-year time periods and does not take into account years of reciprocity that may have occurred before or after each ten-year period.

Race categories include those of Hispanic ethnicity. Due to small sample size, American Indians/Alaska Natives, Asians, and Native Hawaiians/Other Pacific Islanders are included in the estimates for non-black persons but are not shown separately. Data are not available (NA) separately by race for longer periods of cumulative receipt (6 or more years) in the most recent 10-year period.

Source: Unpublished tabulations from the Panel Study of Income Dynamics, public release data files, 1992-2001.

INDICATOR 10. EVENTS ASSOCIATED WITH THE BEGINNING AND ENDING OF PROGRAM SPELLS

Figure IND 10a. Trigger Events Associated with Single Mother TANF Entries during 2001 SIPP Panel



Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- A decrease in earnings was the most common event associated with welfare entries. For spells beginning between 2001 and 2003, half (50 percent) were accompanied by a decrease in the recipient's own monthly earnings of \$50 or more, and an additional 20 percent were accompanied by decreases in the earnings of other household members.
- Changes in household composition were also associated with the onset of welfare spells. The addition of a new child was associated with one-fifth (20 percent), divorce or separation was associated with 4 percent, and a decrease in the number of household adults (not through divorce or separation) was associated with 15 percent of welfare spell starts during the 2001 to 2003 period.
- The onset of a work limitation was associated with about one in ten welfare spell starts. This percentage has gone up over time from 7 percent for spells starting between 1993 and 1995 to 12 percent for spells starting between 2001 and 2003 (see Table IND 10a).

Table IND 10a. Percentage of Single Mother AFDC/TANF Spell Entries Associated with Specific Events: Selected Periods

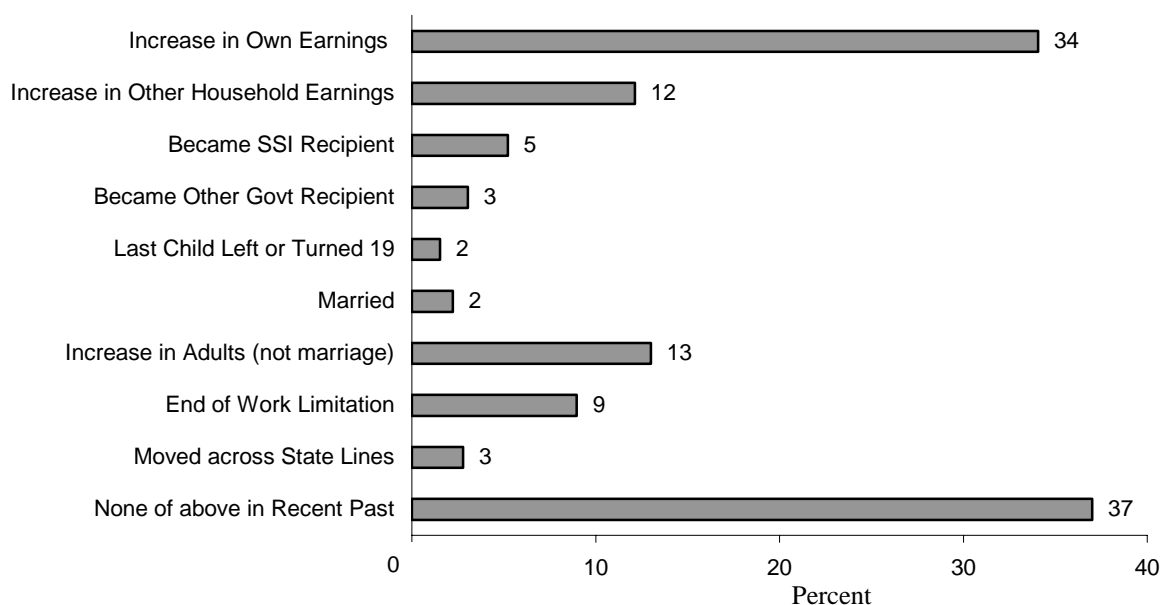
	Spell Began 1993-1995	Spell Began 1996-1999	Spell Began 2001-2003
Recipients' Earnings Decreased	57.1	52.6	50.3
Other Household Earnings Decreased	24.0	21.0	19.8
Lost SSI Benefits (own)	1.4	5.1	4.5
Lost Other Government Benefits (own)	8.1	5.1	6.1
New Child in Family	22.0	17.1	20.2
Divorced/Separated from Spouse	8.7	6.7	4.2
Decrease in Number of Adults (not divorce)	19.2	17.6	15.3
Onset of Work Limitation	7.2	10.9	11.6
Moved across State Lines	1.7	1.4	2.1
None of above in Recent Past	8.8	14.1	16.9

Note: Welfare entries are defined as moving from non-receipt to receipt between two successive SIPP interviews (conducted 4 months apart); an event was associated with a welfare transition if the event was observed within two interviews (i.e., 8 months) of the interview marking the welfare entry. In general, events are neither mutually exclusive nor exhaustive, and transition events may sum to more than 100 percent. Two exceptions are that "other household earnings decreased" was limited to cases when there were decreases in household earnings without a decrease in recipient earnings, and "decrease in number of adults (not divorce)" was limited to cases where the adult leaving the household was not married to the head of the household. AFDC/TANF includes General Assistance and other welfare payments. A decrease in earnings must be a decrease of at least \$50 per month. Other government benefits include Unemployment Insurance, Foster Care, Railroad Retirement, Veteran's payments, and Worker's Compensation. A work limitation is defined as a condition that limits the kind or amount of work. The category "None of above in Recent Past" represents the percentage of all spell beginnings during the period that were not associated with any of the events measured.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

- Spells of welfare receipt and associated trigger events are measured using *monthly* data from the Survey of Income and Program Participation (SIPP). In the 2003 *Indicators of Welfare Dependence* volume (and earlier volumes), events associated with the beginning and ending of program spells were measured using *annual* data from the Panel Study of Income Dynamics (PSID). Thus, the estimates shown above are not comparable to estimates reported in previous volumes.
- Note that events sum to more than 100 percent because the same household could experience more than one event. For example, if a single mother separated from an adult with earnings and subsequently entered welfare, her welfare entry would be coded as associated with both a decrease in adults in the household and a decrease in household earnings. In other words, events are generally not defined to be mutually exclusive. (However, see two exceptions in note above.)

Figure IND 10b. Trigger Events Associated with Single Mother TANF Exits during 2001 SIPP Panel



Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

- Welfare exits were most often associated with increases in recipient earnings. Close to one-half (46 percent) of spells ending between 2001 and 2003 were associated with either an increase in the recipient’s own earnings (34 percent) or an increase in household earnings without an increase in recipients’ own earnings (12 percent).
- The percentage of all spell exits associated with an increase in recipient earnings has decreased over time (see Table IND 10b). Some of this decline may reflect the fact that a larger share of the caseload is combining welfare and work, and so some recipients with welfare exits in more recent years may have experienced increases in earnings before the 5- to 8-month time period used to observe “associated” events in Table 10b.
- Smaller shares of welfare exits were associated with household composition changes (changes in marital status, presence of children and number of adults) compared with welfare entries (see Figure IND 10a).
- Nearly Two-fifths (37 percent) of welfare spells ending between 2001 and 2003 were not associated with any of the events listed above within the period observed. The percentage has risen over time (see Table IND 10b).

Table IND 10b. Percentage of Single Mother AFDC/TANF Spell Exits Associated with Specific Events: Selected Periods

	Spell Ended 1993-1995	Spell Ended 1996-1999	Spell Ended 2001-2003
Increase in Own Earnings	54.8	44.6	34.1
Increase in Other Household Earnings	10.3	11.9	12.1
Became SSI Recipient	1.6	5.9	5.2
Became Recipient of Other Government Benefits	2.2	2.6	3.0
Last Child Left or Turned 19	5.6	2.4	1.5
Married	5.4	2.1	2.2
Increase in Number of Adults (not marriage)	17.6	12.4	12.8
Ended Work Limitation	3.0	10.9	9.0
Moved across State Lines	2.4	1.4	2.8
None of above in Recent Past	24.0	31.1	37.4

Note: Welfare exits are defined as moving from receipt to non-receipt between two successive SIPP interviews (conducted 4 months apart); an event was associated with a welfare transition if the event was observed within two interviews (i.e., 8 months) of the interview marking the welfare exit. In general, events are neither mutually exclusive nor exhaustive, and transition events may sum to more than 100 percent. Two exceptions are that “increase in other household earnings” was limited to cases when there were increases in household earnings without an increase in recipient earnings, and “increase in number of adults (not marriage)” was limited to cases where the adult joining the household was not marrying the head of the household. AFDC/TANF includes General Assistance and other welfare payments. An increase in earnings must be an increase of at least \$50 per month. Other government benefits include Unemployment Insurance, Foster Care, Railroad Retirement, Veteran's payments, and Worker's Compensation. A work limitation is defined as a condition that limits the kind or amount of work. The category "None of above in Recent Past" represents the percentage of all spell endings during the period that were not associated with any of the events measured.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

- Spells of welfare receipt and associated trigger events are measured using *monthly* data from the Survey of Income and Program Participation (SIPP). In the 2003 *Indicators of Welfare Dependence* volume (and earlier volumes), events associated with the beginning and ending of program spells were measured using *annual* data from the Panel Study of Income Dynamics (PSID). Thus, the estimates shown above are not comparable to estimates reported in previous volumes.
- Note that events sum to more than 100 percent because the same household could experience more than one event. For example, if a single mother got a job, left welfare, and reported she no longer had a disability limiting her work status, her welfare exit would be coded as being associated with both an increase in earnings and an ending of a work limitation. In other words, events are generally not defined to be mutually exclusive. (However, see two exceptions in note above.)

Chapter III. Predictors and Risk Factors Associated with Welfare Receipt

The Welfare Indicators Act challenges the U.S. Department of Health and Human Services to identify and set forth not only indicators of welfare dependence and welfare duration but also predictors and causes of welfare receipt. However, welfare research has not established clear and definitive causes of welfare receipt and dependence. Instead, it has identified a number of risk factors associated with welfare use. For the purposes of this report, the terms “predictors” and “risk factors” are used somewhat interchangeably.

Following the recommendation of the Advisory Board, this chapter includes a wide range of possible predictors and risk factors. As research advances, some of the “predictors” included in this chapter may turn out to be simply correlates of welfare receipt, some may have a causal relationship, some may be consequences, and some may have predictive value.

The predictors/risk factors included in this chapter are grouped into three categories: economic security risk factors, employment-related risk factors, and risk factors associated with nonmarital childbearing.

Economic Security Risk Factors (ECON). The first group includes eight measures associated with economic security. This group encompasses five measures of poverty, as well as measures of child support receipt, food insecurity, and lack of health insurance. The tables and figures illustrating measures of economic security are labeled with the prefix ECON throughout this chapter.

Poverty measures are important predictors of dependence, because families with fewer economic resources are more likely to be dependent on means-tested assistance. In addition, poverty and other measures of deprivation, such as food insecurity, are important to assess in conjunction with the measures of dependence outlined in Chapter II.

Reductions in caseloads and dependence can reduce poverty, to the extent that such reductions are associated with greater work activity and higher economic resources for former welfare families. However, reductions in welfare caseloads can increase poverty and other deprivation measures, to the extent that former welfare families are left with fewer economic resources.

Several aspects of poverty are examined in this chapter. Those that can be updated annually using the Current Population Survey include: overall poverty rates (ECON 1); the percentage of individuals in deep poverty (ECON 2), and poverty rates using alternative definitions of income (ECON 3 and 4). The chapter also includes data on the length of poverty episodes or spells (ECON 5).

This chapter also includes data on child support collections (ECON 6), which can play an important role in reducing dependence on government assistance and thus serve as a predictor of dependence. Household food insecurity (ECON 7) is an important measure of deprivation that, although correlated with general income poverty, provides an alternative measure of tracking the incidence of material hardship and need, and how it may change over time. Finally, health

insurance (ECON 8) is tied to the income level of the family, and may be a precursor to future health problems among adults and children.

Employment and Work-Related Risk Factors (WORK). The second grouping, labeled with the WORK prefix, includes eight factors related to employment and barriers to employment. These measures include data on overall labor force attachment and employment and earnings for low-skilled workers, as well as data on barriers to work. The latter category includes incidence of adult and child disabilities, adult substance abuse, and levels of educational attainment and school drop-out rates.

Employment and earnings provide many families with an escape from dependence. It is important, therefore, to look both at overall labor force attachment (WORK 1), and at employment and earnings for those with low education levels (WORK 2 and WORK 3). The economic condition of the low-skill labor market is a key predictor of the ability of young adult men and women to support families without receiving means-tested assistance.

The next two measures in this group (WORK 4 and WORK 5) focus on educational attainment. Individuals with less than a high school education have the lowest amount of human capital and are at the greatest risk of being poor, despite their work effort.

Measures of barriers to employment provide indicators of potential work limitations, which may be predictors of greater dependence. Substance abuse (WORK 6) and disabling conditions among children and adults (WORK 7) all have the potential of limiting the ability of the adults in the household to work. In addition, debilitating health conditions and high medical expenditures can strain a family's economic resources. The labor force participation of women with children (WORK 8) is also a predictor of dependence.

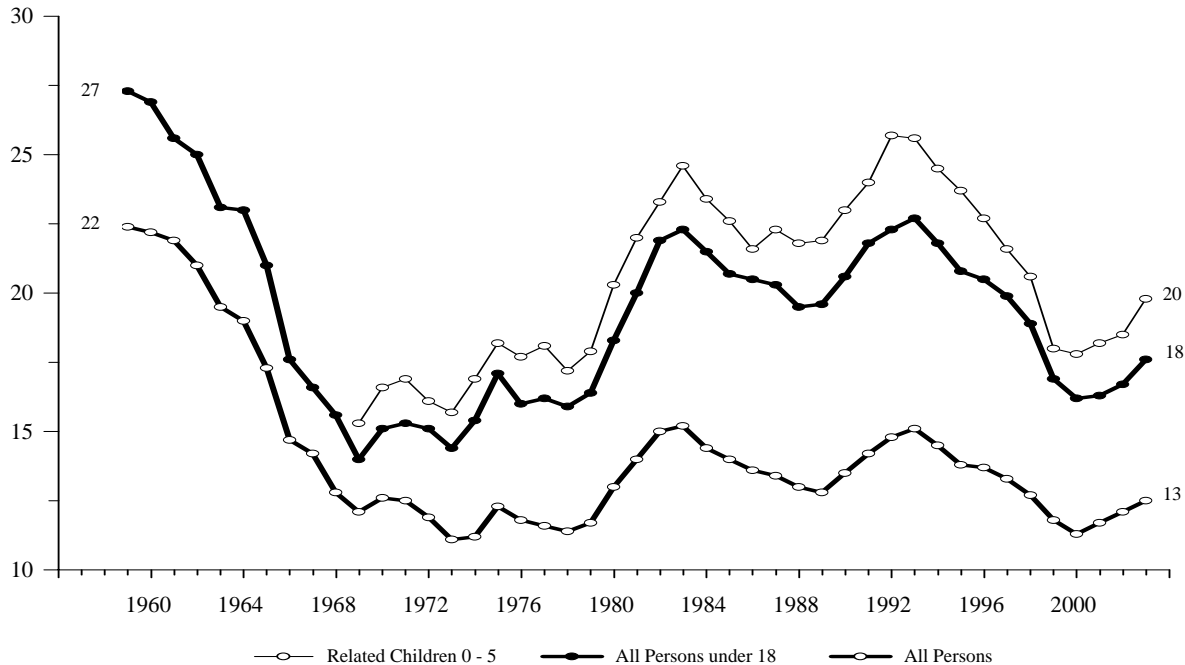
Nonmarital Birth Risk Factors (BIRTH). The final group of risk factors addresses out-of-wedlock childbearing. The tables and figures in this subsection are labeled with the BIRTH prefix. This category includes long-term time trends in nonmarital births (BIRTH 1), nonmarital teen births (BIRTH 2 and BIRTH 3), and children living in families with never-married parents (BIRTH 4). Children living in families with never-married mothers are at high risk of becoming dependent as adults, and it is therefore important to track changes in the size of this vulnerable population.

As noted above, the predictors/risk factors included in this chapter do not represent an exhaustive list of measures. They are merely a sampling of available data that address in some way the question of how a family is faring on the scale of deprivation and well-being. Such questions are a necessary part of the dependence discussion as researchers assess the effects of welfare reform.

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ECONOMIC SECURITY RISK FACTOR 1. POVERTY RATES

Figure ECON 1. Percentage of Persons in Poverty, by Age: 1959-2003



Source: U.S. Bureau of the Census, "Poverty in the United States: 2003," *Current Population Reports*, Series P60-226 and data published online at <http://www.census.gov/hhes/www/poverty.html>.

- The official poverty rate was 12.5 percent in 2003, an increase over the rate of 12.1 percent in 2002. Even so, the percentage of persons living in poverty in 2003 was below the poverty rates experienced in most of the 1980s and 1990s.
- Children under 18 had a poverty rate of 17.6 percent in 2003, up from 16.7 percent in 2002. As in past years, the child poverty rate is considerably higher than the overall poverty rate.
- The poverty rate for the elderly (persons ages 65 and over) was 10.2 percent in 2003, down slightly from the 2002 rate. This was a far lower poverty rate than the rate for children under 18 (17.6 percent) and similar to adults ages 18-64.
- Poverty rates by race are affected by a change in the questionnaire that allows individuals to report one or more races. The poverty rate for individuals reporting black race alone was 24.4 percent, as shown in Table ECON 1; the rate for those reporting black alone or in combination with other races was 24.3 percent (data not shown). Under either measurement, the gap between black and white poverty rates was close to 14 percentage points, slightly higher than the historic low of 13 percentage points in 2000 and 2001; but significantly lower than the early 1990s, when it exceeded 21 percentage points.

Table ECON 1. Percentage of Persons in Poverty, by Race/Ethnicity and Age: Selected Years

Calendar Year	Related Children		All Persons				White	Black	Hispanic Origin
	Ages 0-5	Ages 6-17	Total	Under 18	18 to 64	65 & over			
1959	NA	NA	22.4	27.3	17.0	35.2	18.1	55.1	NA
1963	NA	NA	19.5	23.1	NA	NA	15.3	NA	NA
1966	NA	NA	14.7	17.6	10.5	28.5	11.3	41.8	NA
1969	15.3	13.1	12.1	14.0	8.7	25.3	9.5	32.2	NA
1973	15.7	13.6	11.1	14.4	8.3	16.3	8.4	31.4	21.9
1976	17.7	15.1	11.8	16.0	9.0	15.0	9.1	31.1	24.7
1979	17.9	15.1	11.7	16.4	8.9	15.2	9.0	31.0	21.8
1980	20.3	16.8	13.0	18.3	10.1	15.7	10.2	32.5	25.7
1981	22.0	18.4	14.0	20.0	11.1	15.3	11.1	34.2	26.5
1982	23.3	20.4	15.0	21.9	12.0	14.6	12.0	35.6	29.9
1983	24.6	20.4	15.2	22.3	12.4	13.8	12.1	35.7	28.0
1984	23.4	19.7	14.4	21.5	11.7	12.4	11.5	33.8	28.4
1985	22.6	18.8	14.0	20.7	11.3	12.6	11.4	31.3	29.0
1986	21.6	18.8	13.6	20.5	10.8	12.4	11.0	31.1	27.3
1987	22.3	18.3	13.4	20.3	10.6	12.5	10.4	32.4	28.0
1988	21.8	17.5	13.0	19.5	10.5	12.0	10.1	31.3	26.7
1989	21.9	17.4	12.8	19.6	10.2	11.4	10.0	30.7	26.2
1990	23.0	18.2	13.5	20.6	10.7	12.2	10.7	31.9	28.1
1991	24.0	19.5	14.2	21.8	11.4	12.4	11.3	32.7	28.7
1992	25.7	19.4	14.8	22.3	11.9	12.9	11.9	33.4	29.6
1993	25.6	20.0	15.1	22.7	12.4	12.2	12.2	33.1	30.6
1994	24.5	19.5	14.5	21.8	11.9	11.7	11.7	30.6	30.7
1995	23.7	18.3	13.8	20.8	11.4	10.5	11.2	29.3	30.3
1996	22.7	18.3	13.7	20.5	11.4	10.8	11.2	28.4	29.4
1997	21.6	18.0	13.3	19.9	10.9	10.5	11.0	26.5	27.1
1998	20.6	17.1	12.7	18.9	10.5	10.5	10.5	26.1	25.6
1999	18.0	15.5	11.9	17.1	10.1	9.7	9.8	23.6	22.7
2000	17.8	14.7	11.3	16.2	9.6	9.9	9.5	22.5	21.5
2001	18.2	14.6	11.7	16.3	10.1	10.1	9.9	22.7	21.4
2002	18.5	15.3	12.1	16.7	10.6	10.4	10.2	24.1	21.8
2003	19.8	15.9	12.5	17.6	10.8	10.2	10.5	24.4	22.5

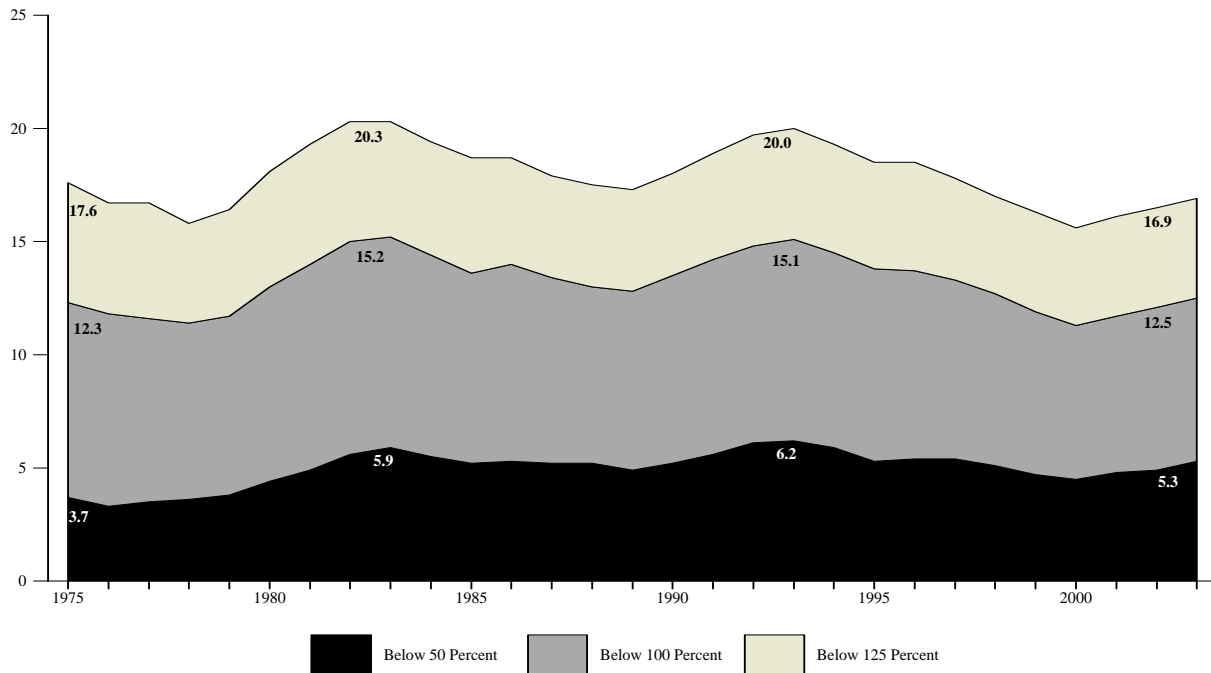
Note: All persons under 18 include related children (own children, including stepchildren and adopted children, plus all other children in the household who are related to the householder by birth, marriage, or adoption), unrelated individuals under 18 (persons who are not living with any relatives), and householders or spouses under age 18.

In this table, race categories include those of Hispanic ethnicity. Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. For example, the poverty rate of 10.5 percent shown for Whites in 2003 is for "White Alone including Hispanic." Though not shown, the rate for "White Alone or in Combination with other races" was 10.6 percent and for "White Alone, Non-Hispanic" the rate was 8.2 percent. American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders also are included in the total for all persons but are not shown separately, due to small sample size.

Source: U.S. Bureau of the Census, "Poverty in the United States: 2003," *Current Population Reports*, Series P60-226 and data published online at <http://www.census.gov/hhes/www/poverty.html>.

ECONOMIC SECURITY RISK FACTOR 2. DEEP POVERTY RATES

Figure ECON 2. Percentage of Total Population below 50, 100 and 125 Percent of Poverty Level 1975-2003



Source: U.S. Bureau of the Census, "Poverty in the United States: 2003," *Current Population Reports*, Series P60-226 and unpublished tables available online at <http://www.census.gov/hhes/www/poverty.html>.

- The percentage of the population in "deep poverty" (with incomes below 50 percent of the federal poverty level) was 5.3 percent in 2003, compared to an overall poverty rate of 12.5 percent. Only about 4 percent of the population was "near-poor" (had incomes at or above 100 percent but below 125 percent of the federal poverty level).
- In general, the percentage of the population with incomes below 50 percent of the poverty threshold has followed a pattern that reflects the trend in the overall poverty rate, as shown in Figure ECON 2. The percentage of people below 50 percent of poverty rose in the late 1970s and early 1980s, but then, after falling slightly, rose to a second peak in 1993. The rates for 100 percent of poverty and 125 percent of poverty followed a somewhat similar pattern with more pronounced peaks and valleys.
- Over the past two decades, there has been an overall increase in the proportion of the poverty population in deep poverty. From a low of 28 percent of the poverty population in 1976, this population rose to nearly 43 percent in 2003.
- The total number of poor people in 2003 was 35.9 million, as shown in Table ECON 2. While higher than the previous year, this number was 3.4 million lower than the peak of 39.3 million in 1993.

Table ECON 2. Number and Percentage of Total Population below 50, 75, 100 and 125 Percent of Poverty Level: Selected Years

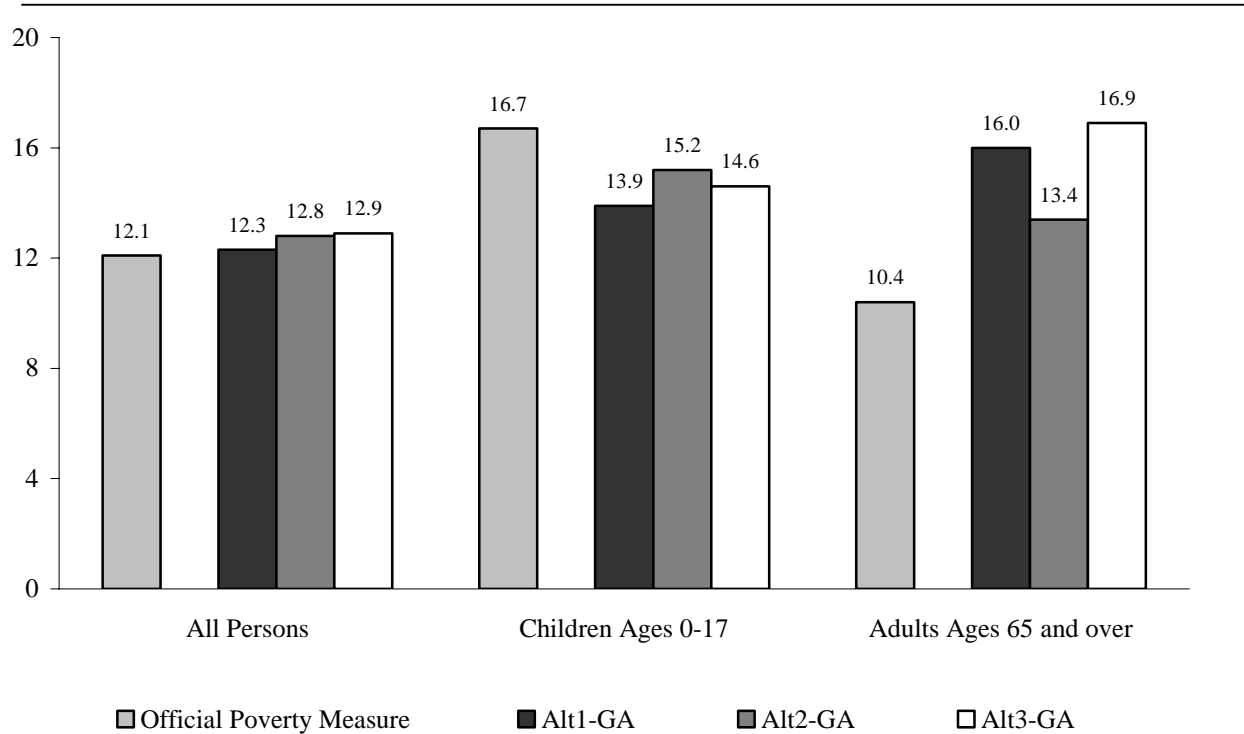
Year	Total	<u>Below 50 Percent</u>		<u>Below 75 Percent</u>		<u>Below 100 Percent</u>		<u>Below 125 Percent</u>	
	Population (thousands)	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
1959	176,600	NA	NA	NA	NA	39,500	22.4	54,900	31.1
1961	181,300	NA	NA	NA	NA	39,600	21.9	54,300	30.0
1963	187,300	NA	NA	NA	NA	36,400	19.5	50,800	27.1
1965	191,400	NA	NA	NA	NA	33,200	17.3	46,200	24.1
1967	195,700	NA	NA	NA	NA	27,800	14.2	39,200	20.0
1969	199,500	9,600	4.8	16,400	8.2	24,100	12.1	34,700	17.4
1971	204,600	NA	NA	NA	NA	25,600	12.5	36,500	17.8
1973	208,500	NA	NA	NA	NA	23,000	11.1	32,800	15.8
1975	210,900	7,700	3.7	15,400	7.3	25,900	12.3	37,100	17.6
1976	212,300	7,000	3.3	14,900	7.0	25,000	11.8	35,500	16.7
1977	213,900	7,500	3.5	15,000	7.0	24,700	11.6	35,700	16.7
1978	215,700	7,700	3.6	14,900	6.9	24,500	11.4	34,100	15.8
1979	222,900	8,600	3.8	16,300	7.3	26,100	11.7	36,600	16.4
1980	225,000	9,800	4.4	18,700	8.3	29,300	13.0	40,700	18.1
1981	227,200	11,200	4.9	20,700	9.1	31,800	14.0	43,800	19.3
1982	229,400	12,800	5.6	23,200	10.1	34,400	15.0	46,600	20.3
1983	231,700	13,600	5.9	23,600	10.2	35,300	15.2	47,000	20.3
1984	233,800	12,800	5.5	22,700	9.7	33,700	14.4	45,400	19.4
1985	236,600	12,400	5.2	22,200	9.4	33,100	13.6	44,200	18.7
1986	238,600	12,700	5.3	22,400	9.4	32,400	14.0	44,600	18.7
1987	241,000	12,500	5.2	21,700	9.0	32,200	13.4	43,100	17.9
1988	243,500	12,700	5.2	21,400	8.8	31,700	13.0	42,600	17.5
1989	246,000	12,000	4.9	20,700	8.4	31,500	12.8	42,600	17.3
1990	248,600	12,900	5.2	22,600	9.1	33,600	13.5	44,800	18.0
1991	251,200	14,100	5.6	24,400	9.7	35,700	14.2	47,500	18.9
1992	256,500	15,500	6.1	26,200	10.2	38,000	14.8	50,500	19.7
1993	259,300	16,000	6.2	27,200	10.5	39,300	15.1	51,900	20.0
1994	261,600	15,400	5.9	26,400	10.1	38,100	14.5	50,500	19.3
1995	263,700	13,900	5.3	24,500	9.3	36,400	13.8	48,800	18.5
1996	266,200	14,400	5.4	24,800	9.3	36,500	13.7	49,300	18.5
1997	268,500	14,600	5.4	24,200	9.0	35,600	13.3	47,800	17.8
1998	271,100	13,900	5.1	23,000	8.5	34,500	12.7	46,000	17.0
1999	276,200	12,900	4.7	21,800	7.9	32,800	11.9	45,000	16.3
2000	278,900	12,600	4.5	20,500	7.4	31,100	11.3	43,600	15.6
2001	281,500	13,400	4.8	22,000	7.8	32,900	11.7	45,300	16.1
2002	285,300	14,100	4.9	23,100	8.1	34,600	12.1	47,100	16.5
2003	287,700	15,300	5.3	24,500	8.5	35,900	12.5	48,700	16.9

Note: The number of persons below 50 percent and 75 percent of poverty for 1969 are estimated based on the distribution of persons below 50 percent and 75 percent for 1969 taken from the 1970 decennial census.

Source: U.S. Bureau of the Census, "Poverty in the United States: 2003," *Current Population Reports*, Series P60-226, unpublished tables available online at <http://www.census.gov/hhes/www/poverty.html>, and *1970 Census of Population, Volume I, Social and Economic Characteristics*, Table 259.

ECONOMIC SECURITY RISK FACTOR 3. EXPERIMENTAL POVERTY MEASURES

Figure ECON 3. Percentage of Persons in Poverty Using Various Experimental Poverty Measures by Age: 2002



Source: U.S. Bureau of the Census, "Poverty in the United States: 2002," *Current Population Reports*, Series P60-222, available online at <http://www.census.gov/prod/2003pubs/p60-222.pdf>, and unpublished CPS data from the U.S. Census Bureau.

- Three experimental measures of poverty (developed by the Census Bureau in response to the recommendation of a 1995 panel of the National Academy of Sciences) yield poverty rates that are similar to the official poverty measure overall, but differ by age and other characteristics.
- Experimental measures generally show lower poverty rates among children than the official measure, partly because they take into account non-cash benefits that many children receive. Conversely, experimental measures show higher rates of poverty among the elderly than the official measure, in part due to the inclusion of certain out-of-pocket health costs in these measures.
- All three alternative measures shown in Figure Econ 3 take into account geographic adjustments (GA) in housing costs; the measures can also be calculated with no geographic adjustment (NGA), as shown in Tables ECON 3a and 3b. See note to Table ECON 3a.

Table ECON 3a. Percentage of Persons in Poverty Using Various Experimental Poverty Measures, by Race/Ethnicity and Age: 2002

	Official	Alt1 MSI- NGA	Alt2 MIT- NGA	Alt3 CMB- NGA	Alt1 MSI- GA	Alt2 MIT- GA	Alt3 CMB- GA
All Persons	12.1	12.4	13.0	13.0	12.3	12.8	12.9
Racial/Ethnic Categories							
Non-Hispanic White	8.0	8.9	9.2	9.4	8.4	8.5	8.8
Non-Hispanic Black	24.1	21.2	22.2	22.3	20.6	21.1	21.3
Hispanic	21.8	21.09	22.7	22.2	23.3	25.4	24.8
Age Categories							
Children Ages 0-17	16.7	13.8	15.3	14.7	13.9	15.2	14.6
Adults Ages 18-64	10.6	10.8	11.6	11.3	10.8	11.5	11.3
Adults Ages 65 and over	10.4	16.7	14.4	17.6	16.0	13.4	16.9

Note: These experimental poverty measures implement changes recommended by a 1995 NAS panel, including: counting non-cash income as benefits; subtracting from income certain work-related, health, and child care expenses; and adjusting poverty thresholds for family size and geographic differences in housing costs. The three alternative measures are similar, except that each account for out-of-pocket medical expenses differently. For the first alternative (“MOOP subtracted from income” or MSI), medical out-of-pocket expenses (MOOP) are subtracted from income. The second alternative, (“MOOP in the threshold” or MIT) increases the poverty thresholds to take MOOP expenses into account. The third measure, CMB for combined methods, combines attributes of the previous two measures. Each of the three measures is calculated with and without accounting for geographic adjustments (GA and NGA). These experimental measures are different from those reported in last year’s report because the Census Bureau changed its methodology based on research conducted to refine the NAS panel’s experimental methods.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: U.S. Census Bureau, “Poverty in the United States: 2002,” *Current Population Reports*, Series P60-222, available at <http://www.census.gov/prod/2003pubs/p60-222.pdf>, and unpublished CPS data from the U.S. Census Bureau.

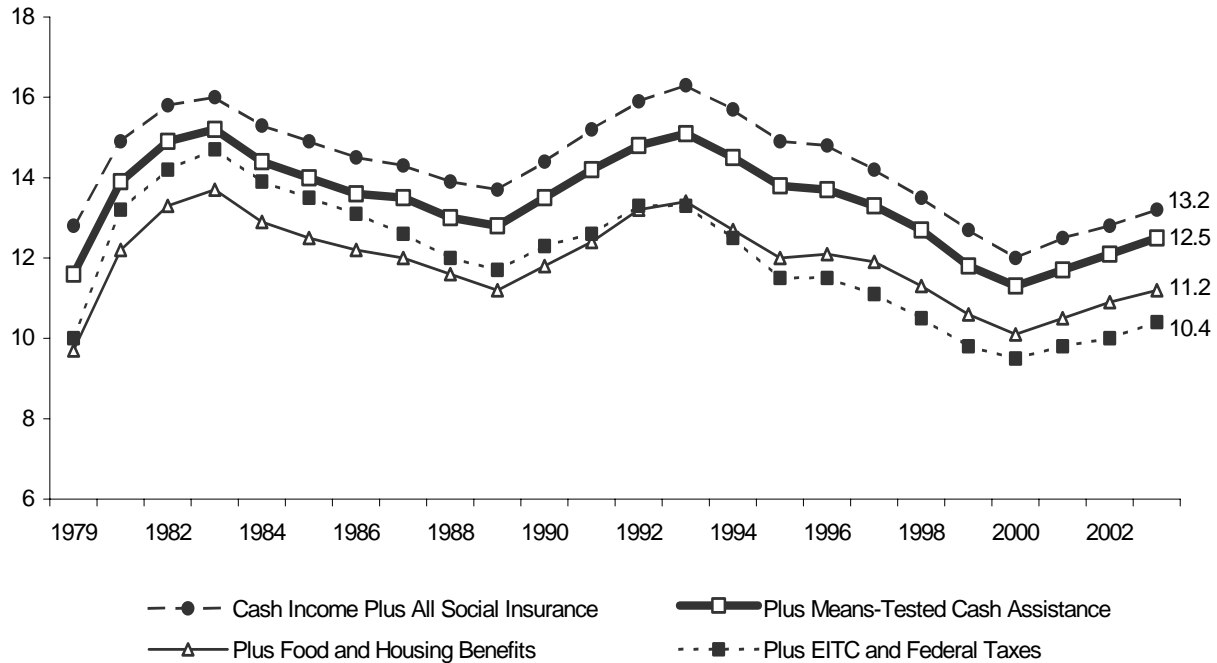
Table ECON 3b. Percentage of Persons in Poverty Using Various Experimental Poverty Measures 1999-2002

	1999	2000	2001	2002
Official Measure	11.9	11.3	11.7	12.1
No Geographic Adjustment of Thresholds				
Medical costs alternative 1 (MSI-NGA)	12.2	12.1	12.4	12.4
Medical costs alternative 2 (MIT-NGA)	12.8	12.7	12.8	13.0
Medical costs alternative 3 (CMB-NGA)	12.9	12.8	13.0	13.0
Geographic Adjustment of Thresholds				
Medical costs alternative 1 (MSI-GA)	12.1	12.0	12.3	12.3
Medical costs alternative 2 (MIT-GA)	12.7	12.5	12.7	12.8
Medical costs alternative 3 (CMB-GA)	12.8	12.6	12.9	12.9

See above for note and source.

ECONOMIC SECURITY RISK FACTOR 4. POVERTY RATES WITH VARIOUS MEANS-TESTED BENEFITS INCLUDED

Figure ECON 4. Percentage of Total Population in Poverty with Various Means-Tested Benefits Added to Total Cash Income: 1979-2003



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1980-2004, by the Congressional Budget Office.

- The official poverty rate – the definition of which includes means-tested cash assistance (primarily TANF and SSI) in addition to pre-tax cash income and social insurance – was 12.5 percent in 2003, as shown in the bold line with empty boxes in Figure ECON 4. Without cash welfare, the 2003 poverty rate would be 13.2 percent, as shown by the top line in the figure above.
- Adding other non-cash, public assistance benefits to this definition has the effect of lowering the percentage of people who have incomes below the official poverty rate. Adding in the value of food and housing benefits reduces the poverty rate to 11.2 percent in 2003.
- When income is defined as including benefits from the Earned Income Tax Credit (EITC) and federal taxes, the percentage of the total population in poverty decreases to 10.4 percent in 2003. Federal taxes and tax credits have had a net effect of reducing poverty rates since the significant increases in the size of the EITC in 1993 and 1995.
- The combined effect of means-tested cash assistance, food and housing benefits, EITC and taxes was to reduce the poverty rate in 2003 by 2.8 percentage points, as shown in Table ECON 4. Net reductions in poverty rates were somewhat lower during the recession of the early 1980s, and somewhat higher in the mid-1990s, largely due to expansions in the EITC.

Table ECON 4. Percentage of Total Population in Poverty with Various Means-Tested Benefits Added to Total Cash Income: Selected Years

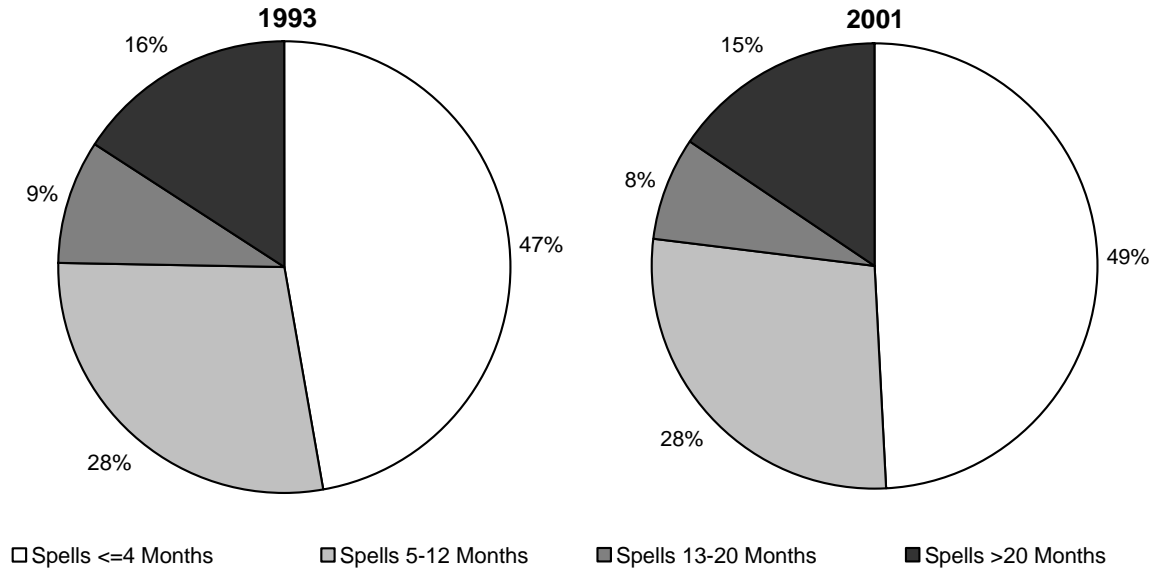
	1983	1986	1989	1992	1995	1998	2000	2002	2003
Cash Income Plus All Social Insurance	16.0	14.5	13.8	15.6	14.9	13.5	12.0	12.8	13.2
Plus Means-Tested Cash Assistance	15.2	13.6	12.8	14.5	13.8	12.7	11.3	12.1	12.5
Plus Food and Housing Benefits	13.7	12.2	11.2	12.9	12.0	11.3	10.1	10.9	11.2
Plus EITC and Federal Taxes	14.7	13.1	11.8	13.0	11.5	10.4	9.5	10.0	10.4
Reduction in Poverty Rate	1.3	1.4	2.0	2.6	3.4	3.1	2.5	2.8	2.8

Note: The four measures of income are as follows: (1) "Cash Income plus All Social Insurance" is earnings and other private cash income, plus social security, workers' compensation, and other social insurance programs. It does not include means-tested cash transfers; (2) "Plus Means-Tested Assistance" shows the official poverty rate, which takes into account means-tested assistance, primarily AFDC/TANF and SSI; (3) "Plus Food and Housing Benefits" shows how poverty would be lower if the cash value of food and housing benefits were counted as income; and (4) "Plus EITC and Federal Taxes" is the most comprehensive poverty rate shown. EITC refers to the refundable Earned Income Tax Credit, which is always a positive adjustment to income whereas Federal payroll and income taxes are a negative adjustment. The fungible value of Medicare and Medicaid is not included.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1984-2004, by the Congressional Budget Office.

ECONOMIC SECURITY RISK FACTOR 5. POVERTY SPELLS

Figure ECON 5. Percentage of Poverty Spells for Individuals Entering Poverty during the 1993 and 2001 SIPP Panels, by Length of Spell



Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993 and 2001 panels.

- About half of all poverty spells that began during the 2001 SIPP panel ended within four months, and 77 percent ended within one year. Only 15 percent of all such spells were longer than 20 months.
- Spells of poverty that began between 1993 and 1995 were similar to those between 2001 and 2003; 47 percent ended within four months and 16 percent were longer than 20 months.
- Poverty spells among adults ages 65 and older were more likely to last longer than 20 months (21 percent) than spells among other age groups, as shown in Table ECON 5a.

Table ECON 5a. Percentage of Poverty Spells for Individuals Entering Poverty during the 2001 SIPP Panel, by Length of Spell, Race/Ethnicity and Age

	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
All Persons	49.2	27.7	7.7	15.5
Racial/Ethnic Categories				
Non-Hispanic White	52.3	27.1	7.1	13.5
Non-Hispanic Black	42.1	27.4	9.4	21.1
Hispanic	45.7	29.7	7.8	16.8
Age Categories				
Ages 0-5 Years	48.0	29.6	8.3	14.2
Ages 6-10 Years	48.0	28.5	7.7	15.8
Ages 11-15 Years	50.3	27.8	8.5	13.4
Women Ages 16-24	49.4	28.6	7.6	14.4
Men Ages 16-64 Years	52.0	28.3	7.6	12.1
Adults Ages 65 Years and over	47.7	23.7	7.4	21.2

Note: Spell length categories are mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Survey of Income and Program Participation, 2001 panel.

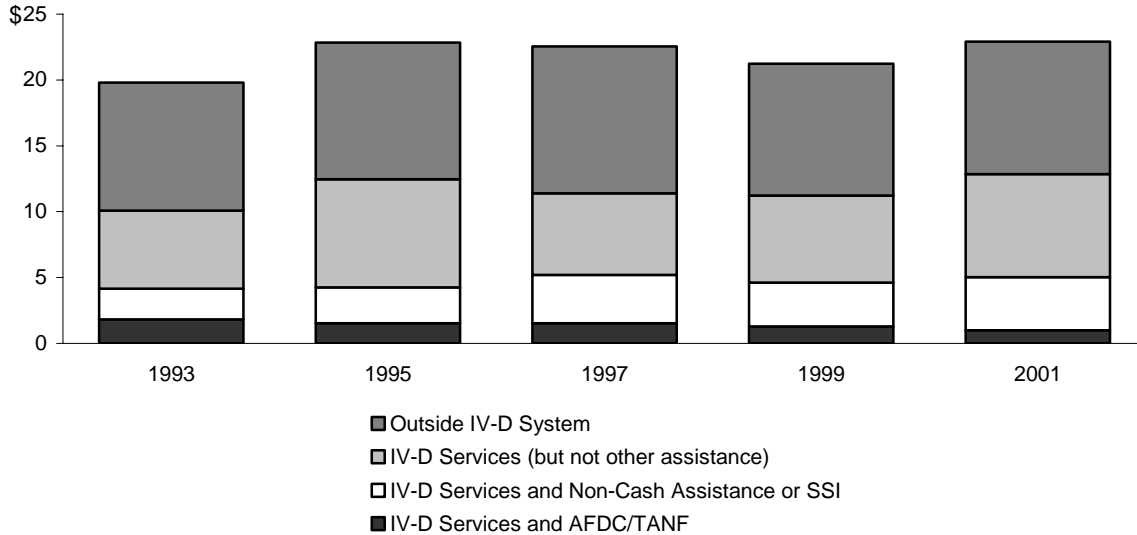
Table ECON 5b Percentage of Poverty Spells for Individuals Entering Poverty during the 1993 1996 and 2001 SIPP Panels, by Length of Spell and Panel

	Spells <=4 Months	Spells 5-12 Months	Spells 13-20 Months	Spells >20 Months
1993 Panel All Persons	47.3	28.1	8.9	15.7
1996 Panel All Persons	51.3	29.0	8.3	11.4
2001 Panel All Persons	49.2	27.7	7.7	15.5

Source: Unpublished tabulations from the Survey of Income and Program Participation, 1993, 1996 and 2001 panels.

ECONOMIC SECURITY RISK FACTOR 6. CHILD SUPPORT

Figure ECON 6. Child Support Collections Received by Families, by Receipt of IV-D Services and Other Assistance (Billions of 2001 Dollars): 1993-2001



Source: Unpublished tabulations from the Current Population Survey, Child Support Supplement, 1994-2002.

- In 2001 families reported receiving \$22.9 billion in child support payments from the non-resident parent. This amount represents current year support received for a twelve-month period and does not include amounts paid for prior periods (arrearages) or amounts retained by the federal and state government to recoup welfare costs. Total child support collections have increased by 26 percent since 1993, after adjusting for inflation.
- The amount of payments received by families who also received AFDC/TANF cash assistance at some point in the year has declined, from \$2.2 billion in 1993 (in inflation-adjusted dollars) to \$1.0 billion in 2001. This partly reflects the decline in the AFDC/TANF caseloads. In addition, some states no longer “pass-through” any payments to families receiving TANF. Prior to the enactment of PRWORA in 1996, states were required to pass-through the first \$50 of any child support collected.
- Child support payments to families who did not receive TANF, but received another form of public assistance (SSI, food stamps, Medicaid or housing assistance) increased significantly between 1993 and 2001, from \$2.3 to \$4.0 billion (in 2001 dollars). This group of families includes former TANF recipients, as well as families at risk of turning to cash assistance. The increased collections for this group more than offset the decline in payments to TANF families.
- The total amount reported received by families through the child support enforcement system (title IV-D of the Social Security Act) was \$12.8 billion, or 56 percent of all child support payments received by families, as shown in Table ECON 6.

Table ECON 6. Child Support Collections Received by Families, by Receipt of IV-D Services and Other Assistance: 1993-2001

	Collections (billions)		Total (percent)
	Current \$	Constant 01\$	
2001 Receiving Title IV-D Child Support Services and:			
TANF	1.0	1.0	4
Food Stamps, SSI, Medicaid or Housing	4.0	4.0	18
Child Support Services Only	<u>7.8</u>	<u>7.8</u>	<u>34</u>
Subtotal Families Receiving IV-D Services	12.8	12.8	56
Not Receiving IV-D Child Support Services	<u>10.1</u>	<u>10.1</u>	<u>44</u>
Total Families	22.9	22.9	100
1999 Families Receiving Title IV-D Child Support Services and:			
TANF	1.3	1.4	6
Food Stamps, SSI, Medicaid or Housing	3.1	3.3	16
Child Support Services Only	<u>6.2</u>	<u>6.6</u>	<u>31</u>
Subtotal IV-D Families	10.6	11.3	53
Families Not Receiving IV-D Child Support Services	<u>9.4</u>	<u>10.0</u>	<u>47</u>
Total Families	20.1	21.3	100
1997 Families Receiving Title IV-D Child Support Services and:			
AFDC/TANF	1.5	1.7	7
Food Stamps, SSI, Medicaid or Housing	3.3	3.7	16
Child Support Services Only	<u>5.6</u>	<u>6.2</u>	<u>27</u>
Subtotal IV-D Families	10.5	11.6	51
Families Not Receiving IV-D Child Support Services	<u>10.1</u>	<u>11.1</u>	<u>49</u>
Total Families	20.6	22.7	100
1995 Families Receiving Title IV-D Child Support Services and:			
AFDC	1.5	1.8	8
Food Stamps, SSI, Medicaid or Housing	2.3	2.7	12
Child Support Services Only	<u>7.1</u>	<u>8.2</u>	<u>37</u>
Subtotal IV-D Families	10.9	12.7	55
Families Not Receiving IV-D Child Support Services	<u>8.9</u>	<u>10.4</u>	<u>45</u>
Total Families	19.9	23.1	100
1993 Families Receiving Title IV-D Child Support Services and:			
AFDC	1.8	2.2	12
Food Stamps, SSI, Medicaid or Housing	1.9	2.3	13
Child Support Services Only	<u>4.8</u>	<u>5.9</u>	<u>33</u>
Subtotal IV-D Families	8.6	10.5	52
Families Not Receiving IV-D Child Support Services	<u>7.9</u>	<u>9.7</u>	<u>48</u>
Total Families	16.5	20.2	100

Note: AFDC/TANF families are families who have reported receiving cash assistance for any month during the 12-month period. Therefore, not all the child support reported received was necessarily received while the family received cash assistance. Data limitations do not allow a month-by-month breakdown.

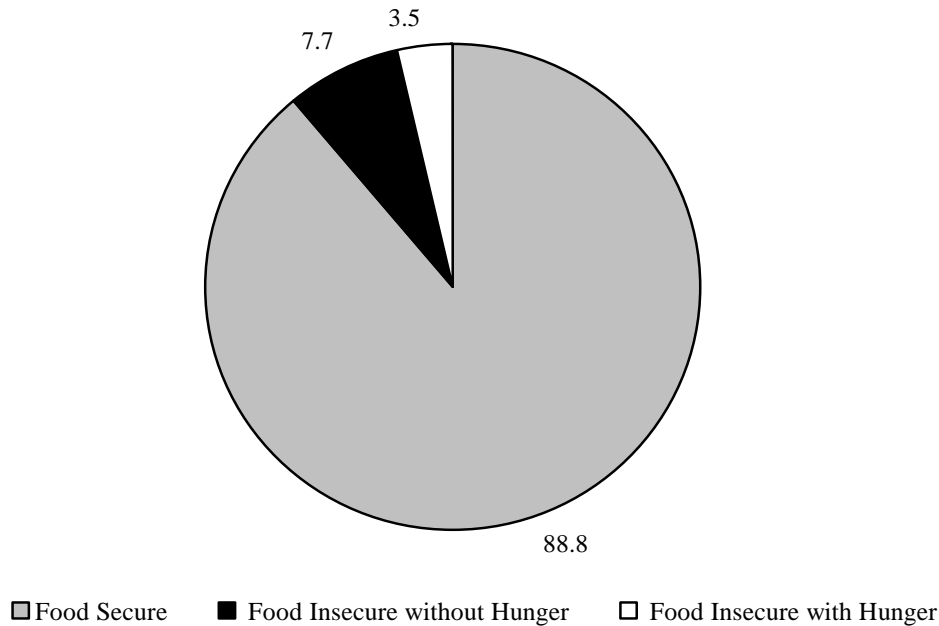
Families receiving SSI, food stamps, Medicaid or housing assistance are limited to families not receiving AFDC/TANF.

Families receiving services through the IV-D system are estimated according to the methodology described in technical appendices to the ASPE-published report *Characteristics of Families Using Title IV-D Services in 1999 and 2001* (available online at: <http://aspe.hhs.gov/hsp/CSE-Char04/index.htm>) and previous reports.

Source: Unpublished tabulations from the Current Population Survey, Child Support Supplement, 1994-2002.

ECONOMIC SECURITY RISK FACTOR 7. FOOD INSECURITY

Figure ECON 7. Percentage of Households Classified by Food Security Status: 2003



Source: U.S. Department of Agriculture, Economic Research Service, *Household Food Security in the United States, 2003*.

- A large majority (89 percent) of American households was food secure in 2003 – that is, showed little or no evidence of concern about food supply or reduction in food intake.
- The prevalence of food insecurity with hunger in 2003 was estimated to be 3.5 percent. During the twelve months ending in December 2003, one or more members of these households experienced reduced food intake and hunger at times during the year as a result of financial constraints. Food insecurity would be lower if measured over a monthly basis.
- An additional 7.7 percent of households experienced food insecurity, but were without hunger, during the twelve months ending in December 2003. Although these households showed signs of food insecurity in their concerns and in adjustments to household food management, little or no reduction in food intake was reported.
- Poor households have a higher rate of food insecurity with hunger (12.6 percent) than the 3.5 percent rate among the general population, as shown in Table ECON 7a. Only 1.2 percent of families with incomes at or above 185 percent of the poverty level showed evidence of food insecurity with hunger.

Table ECON 7a. Percentage of Households Classified by Food Security Status and Selected Characteristics: 2003

	Food Secure	Food Insecure Total	Food Insecure without Hunger	Food Insecure with Hunger
All Households	88.8	11.2	7.7	3.5
Racial/Ethnic Categories				
Non-Hispanic White	92.2	7.8	5.1	2.7
Non-Hispanic Black	77.9	22.1	15.3	6.8
Hispanic	77.7	22.3	16.9	5.4
Households, by Age				
Households with Children under 6	82.5	17.5	13.9	3.6
Households with Children under 18	83.3	16.7	12.8	3.8
Households with Elderly	94.0	6.0	4.3	1.7
Household Income-to-Poverty Ratio				
Under 1.00	64.9	35.1	22.5	12.6
Under 1.30	67.5	32.5	21.2	11.3
Under 1.85	71.4	28.6	18.8	9.7
1.85 and over	95.1	4.9	3.7	1.2

Note: Food secure households show little or no evidence of concern about food supply or reduction in food intake. Households classified as food insecure without hunger report food-related concerns, adjustments to household food management, and reduced variety and desirability of diet, but report little or no reduction in food intake. Households classified as food insecure with hunger report recurring reductions in food intake or hunger by one or more persons in the household.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: U.S. Department of Agriculture, Economic Research Service, *Household Food Security in the United States, 2003*. Data are from the Current Population Survey, Food Security Supplement.

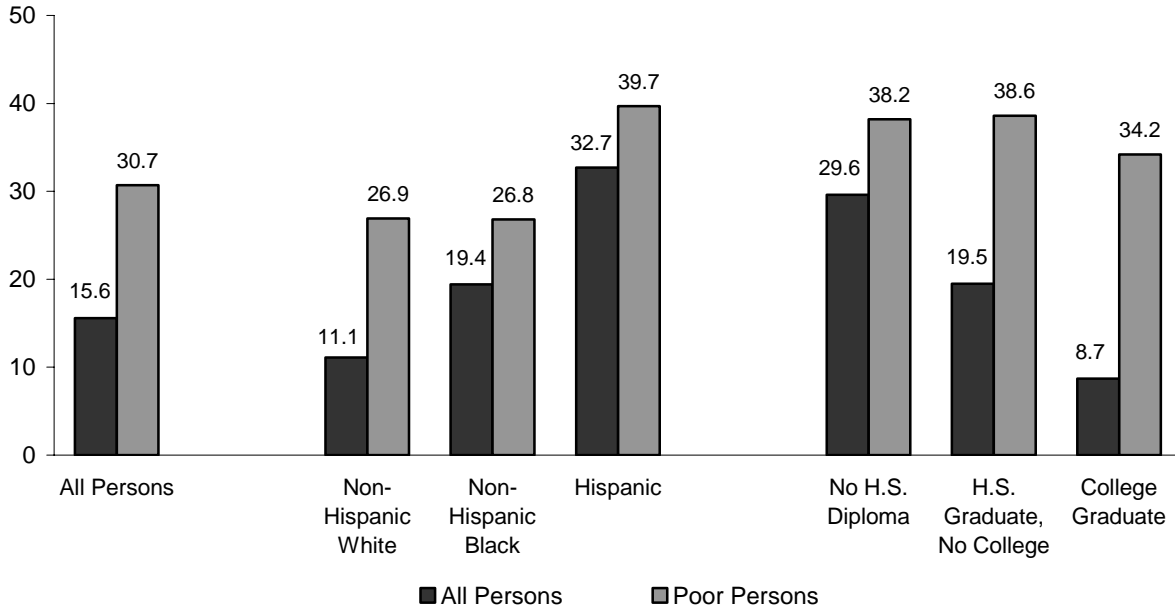
Table ECON 7b. Percentage of Households Classified by Food Security Status: 1998-2003

	Food Secure	Food Insecure Total	Food Insecure without Hunger	Food Insecure with Hunger
1998	88.2	11.8	8.1	3.7
1999	89.9	10.1	7.1	3.0
2000	89.5	10.5	7.3	3.1
2001	89.3	10.7	7.4	3.3
2002	88.9	11.1	7.6	3.5
2003	88.8	11.2	7.7	3.5

Source: U.S. Department of Agriculture, Economic Research Service, *Household Food Security in the United States, 2003*.

ECONOMIC SECURITY RISK FACTOR 8. LACK OF HEALTH INSURANCE

Figure ECON 8. Percentage of Persons without Health Insurance, by Income: 2003



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2004.

- Poor persons were twice as likely as all persons to be without health insurance in 2003 (31 percent compared to 16 percent). While the ratio varied across categories, persons with family income at or below the poverty line were more likely to be without health insurance regardless of race/ethnicity, gender, educational attainment, or age.
- Hispanics were the ethnic group least likely to have health insurance in 2003, among both the general population and those with incomes below the poverty line.
- While non-Hispanic black individuals in general were less likely to have insurance than non-Hispanic white individuals, poor non-Hispanic black individuals were about as likely to have insurance as poor non-Hispanic white individuals.
- Among all persons, education levels were inversely related to health insurance coverage. However, among poor persons, educational attainment made little difference as to whether individuals had health insurance.
- As shown in Table ECON 8, about half of poor people ages 25 to 34 are without health insurance. Among the general population, individuals ages 18 to 24 are the most likely to be without health insurance.

Table ECON 8. Percentage of Persons without Health Insurance, by Income and Selected Characteristics: 2003

	All Persons	Poor Persons
All Persons	15.6	30.7
Men	16.8	33.3
Women	14.4	28.7
Non-Hispanic White	11.1	26.9
Non-Hispanic Black	19.4	26.8
Hispanic	32.7	39.7
No High School Diploma	29.6	38.2
High School Graduate, No College	19.5	38.6
College Graduate	8.7	34.2
Ages 17 and under	11.4	19.2
Ages 5 and under	10.3	14.6
Ages 6-11	11.0	19.2
Ages 12-17	12.7	24.8
Ages 18-24	30.2	45.7
Ages 25-34	26.4	50.4
Ages 35-44	18.1	45.9
Ages 45-54	14.5	38.8
Ages 55-64	13.0	26.8
Under 65 years	17.6	33.8
Ages 65 and over	0.8	2.8

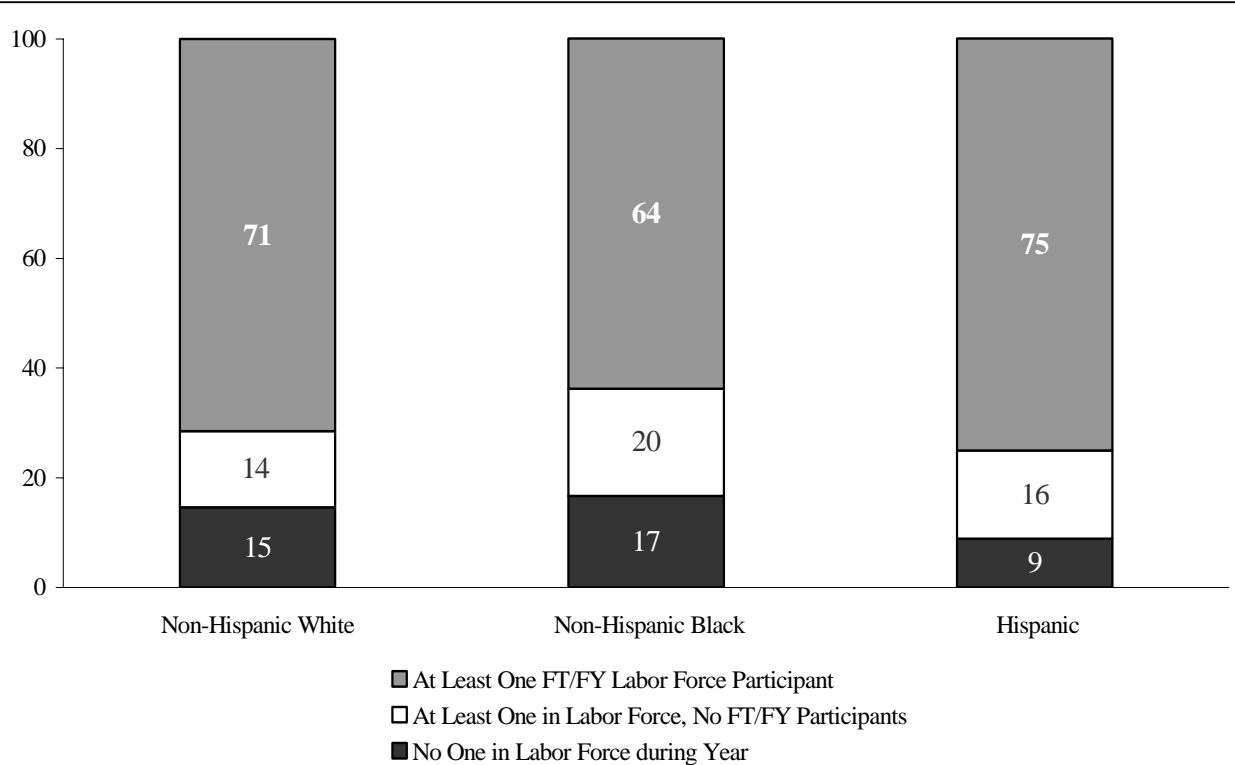
Note: "Poor persons" are defined as those with total family incomes at or below the poverty rate. Health insurance rates for the education categories include only adults age 18 and over.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately. Some of the race categories presented for ECON 8 have been changed slightly from prior year reports to provide more internal consistency throughout this report; in prior reports, the race categories for "Black" and "White" included people of Hispanic origin.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2004.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 1. LABOR FORCE ATTACHMENT

Figure WORK 1. Percentage of Individuals in Families with Labor Force Participants by Race/Ethnicity: 2003



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2004.

- In 2003, 71 percent of the total population lived in families with at least one person working on a full-time, full-year basis (FT/FY), as shown in Table WORK 1a. The percent of full-time, full-year workers was slightly lower than in 2002, although still higher than during most of the 1990s, as shown in Table WORK 1b.
- Overall, 14 percent of the population lived in families with no labor force participants and 15 percent lived in families with part-time and/or part-year labor force participants in 2003.
- Persons of Hispanic origin were less likely than non-Hispanic whites or non-Hispanic blacks to live in families with no one in the labor force in 2003 (9 percent compared to 15 and 17 percent, respectively).
- Working-age women in 2003 were more likely than working-age men to live in families with no one in the labor force (8 percent compared to 6 percent), as shown in Table Work 1a. Men were more likely than women to live in families with at least one full-time, full-year worker (81 percent compared to 77 percent).

Table WORK 1a. Percentage of Individuals in Families with Labor Force Participants, by Race/Ethnicity and Age: 2003

	No One in LF During Year	At Least One in LF No One FT/FY	At Least One FT/FY Worker
All Persons	13.8	15.0	71.2
Racial/Ethnic Categories			
Non-Hispanic White	14.6	13.9	71.5
Non-Hispanic Black	16.7	19.5	63.9
Hispanic	8.9	16.1	75.1
Age Categories			
Children Ages 0-5	6.8	17.8	75.4
Children Ages 6-10	6.1	15.1	78.8
Children Ages 11-15	6.6	14.5	79.0
Women Ages 16-64	7.8	15.5	76.7
Men Ages 16-64	5.8	13.6	80.6
Adults Ages 65 and over	65.5	15.4	19.1

Note: Full-time, full-year workers are defined as those who usually worked for 35 or more hours per week, for at least 50 weeks in a given year. Part-time and part-year labor force participation includes part-time workers and individuals who are unemployed, laid off, and/or looking for work for part or all of the year. This indicator represents annual measures of labor force participation, and thus cannot be compared to monthly measures of labor force participation in Indicator 2. These figures may differ slightly from those reported in previous reports due to a slight improvement in methodology.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1991-2004.

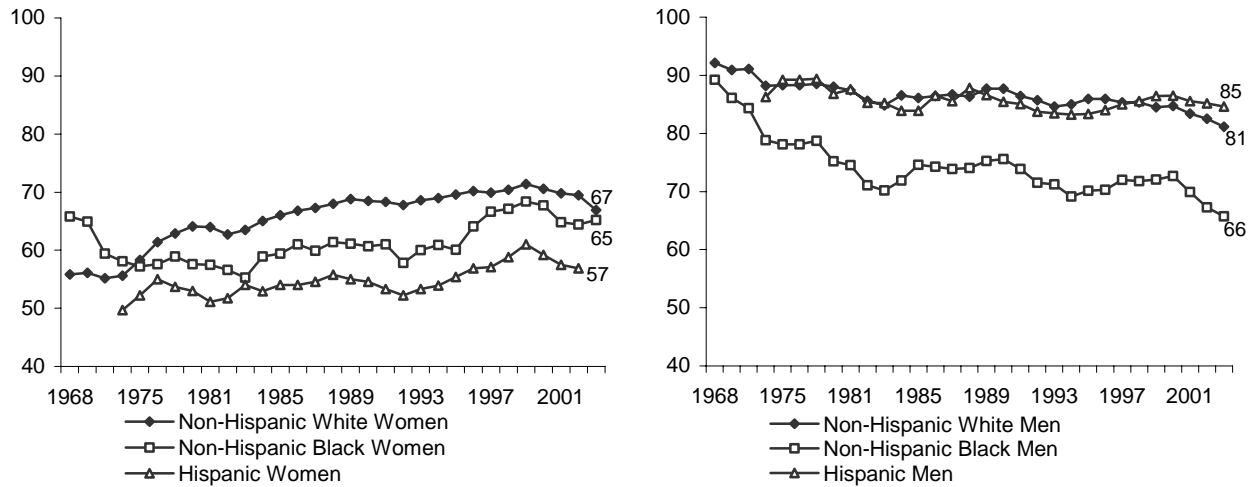
Table WORK 1b. Percentage of Individuals in Families with Labor Force Participants: 1990-2003

	No One in LF During Year	At Least One in LF No One FT/FY	At Least One FT/FY Worker
1990	13.7	17.6	68.7
1991	14.3	18.1	67.6
1992	14.4	18.1	67.6
1993	14.1	17.9	68.0
1994	14.1	17.1	68.8
1995	13.9	16.5	69.7
1996	13.6	16.1	70.3
1997	13.4	15.7	70.9
1998	13.3	14.6	72.1
1999	12.6	14.4	73.1
2000	12.8	13.8	73.3
2001	13.3	14.4	72.4
2002	13.4	14.6	72.0
2003	13.8	15.0	71.2

See above for note and source.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 2. EMPLOYMENT AMONG THE LOW-SKILLED

Figure WORK 2. Percentage of All Persons Ages 18 to 65 with No More than a High School Education Who Were Employed at Any Time during Year: 1968-2003



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1969-2004.

- Employment rates for women with a high school education or less generally increased during the 1980s and 1990s, although this trend has shown some modest reversal since 2000. Employment levels have been higher among low-skilled non-Hispanic white and black women (67 and 65 percent, respectively, in 2003) than among low-skilled Hispanic women (57 percent).
- In contrast, employment levels for men with a high school education or less have decreased over the past three decades. The decline has been steepest among non-Hispanic black men, whose employment level in 2003 (66 percent) was considerably lower than those of non-Hispanic white and Hispanic men (81 and 85 percent respectively).
- As shown in Figure and Table WORK 2, employment levels for non-Hispanic black men with a high school education or less were 1 percentage point higher than those of similarly educated non-Hispanic black women in 2003. In contrast, there was a 14 percentage point difference in employment levels of non-Hispanic white men and women with a high school education or less, and a 28 percentage point difference between similarly educated Hispanic men and women.

Table WORK 2. Percentage of All Persons Ages 18 to 65 with No More than a High School Education Who Were Employed: 1968-2003

	Women			Men		
	Non-Hispanic White	Non-Hispanic Black	Hispanic	Non-Hispanic White	Non-Hispanic Black	Hispanic
1968	55.8	65.8	NA	92.8	89.9	NA
1969	56.1	64.9	NA	92.1	89.2	NA
1971	55.2	59.4	NA	90.9	86.1	NA
1972	55.6	58.1	NA	91.1	84.3	NA
1975	58.3	57.2	49.7	88.2	78.8	86.2
1977	61.4	57.6	52.2	88.3	78.1	89.2
1979	62.9	58.9	55.0	88.5	78.7	89.4
1980	64.1	57.6	53.7	88.0	75.2	86.8
1981	64.0	57.5	53.0	87.4	74.5	87.6
1982	62.7	56.6	51.1	85.6	71.1	85.3
1983	63.5	55.3	51.7	84.8	70.2	85.2
1984	65.0	58.9	54.0	86.5	71.9	83.9
1985	66.0	59.4	52.9	86.1	74.6	83.9
1986	66.8	61.0	54.0	86.4	74.3	86.5
1987	67.3	59.9	54.0	86.7	73.9	85.6
1988	68.0	61.4	54.6	86.3	74.0	87.8
1989	68.8	61.1	55.8	87.7	75.3	86.6
1990	68.5	60.7	55.0	87.7	75.6	85.4
1991	68.3	61.0	54.6	86.4	73.9	85.0
1992	67.8	57.8	53.3	85.7	71.5	83.7
1993	68.6	60.0	52.2	84.6	71.2	83.5
1994	69.0	60.9	53.3	85.0	69.1	83.2
1995	69.6	60.1	53.9	85.9	70.1	83.3
1996	70.2	64.1	55.4	85.9	70.3	84.0
1997	69.9	66.6	56.9	85.3	72.0	85.0
1998	70.4	67.1	57.1	85.3	71.8	85.5
1999	71.4	68.4	58.8	84.5	72.0	86.4
2000	70.6	67.7	61.0	84.7	72.7	86.4
2001	69.8	64.8	59.2	83.4	69.9	85.5
2002	69.5	64.4	57.5	82.5	67.3	85.1
2003	66.9	65.2	56.9	81.1	65.7	84.6

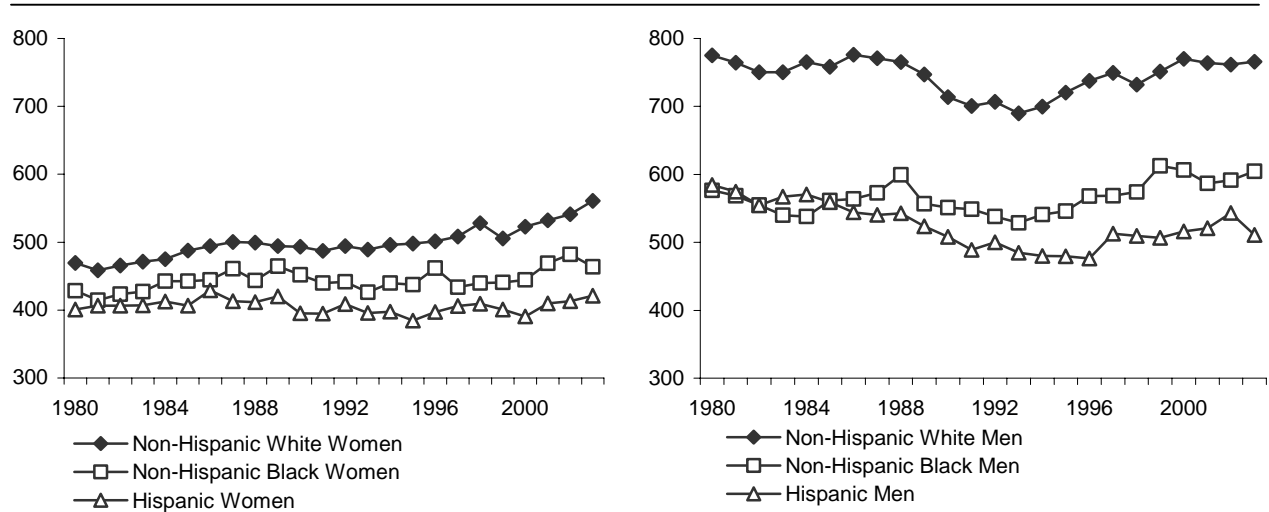
Note: All data include both full and partial year employment for the given calendar year.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are not shown separately. Hispanic origin was not available until 1975.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1969-2004.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 3. EARNINGS OF LOW-SKILLED WORKERS

Figure WORK 3. Mean Weekly Wages of Women and Men Working Full-Time, Full-Year with No More than a High School Education, by Race (2003 Dollars): Selected Years



Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1981-2004.

- Average weekly wages of low-skilled women have been consistently lower than those of low-skilled men. For example, the average weekly wages of non-Hispanic black women without a high school education who worked full-time, full-year were 77 percent of those of men of the same race, education, and work status in 2003 (\$464 compared to \$605).
- Non-Hispanic white women have had the highest average weekly wages among low-skilled women working full-time, full-year reaching \$561 in 2003. This level is a 20 percent increase over their mean weekly wages in 1980. Over the same time period, non-Hispanic black women and Hispanic women’s weekly wages increased at slower rates (8 percent and 5 percent, respectively).
- For men, the gap between mean weekly wages of non-Hispanic white and black full-time workers with low education levels has narrowed somewhat over time. Since 1980, the mean weekly wage for low-skilled non-Hispanic black men working full-time has increased by 5 percent, while the mean wage for their white counterparts has declined slightly (by 1 percent). In 2003, the mean weekly wage for low-skilled non-Hispanic black men was \$605, or 79 percent of the \$766 weekly wage for low-skilled non-Hispanic white men.
- Over the past two decades, both Hispanic women and men’s wages have lagged behind non-Hispanic whites and blacks among low-skilled full-time workers. In 2003, Hispanic women’s wages were 25 percent lower than non-Hispanic white women and 9 percent lower than non-Hispanic black women. Hispanic men trailed non-Hispanic white men by 33 percent and non-Hispanic black men by 16 percent.

Table WORK 3. Mean Weekly Wages of Women and Men Working Full-Time, Full-Year with No More than a High School Education, by Race (2003 Dollars): Selected Years

	Women			Men		
	Non-Hispanic White	Non-Hispanic Black	Hispanic	Non-Hispanic White	Non-Hispanic Black	Hispanic
1980	469	428	401	775	577	585
1981	459	415	406	764	569	575
1982	466	423	407	750	555	554
1983	471	427	407	750	540	567
1984	475	442	413	765	538	570
1985	488	443	406	758	562	559
1986	494	444	429	776	564	544
1987	500	461	413	771	573	540
1988	499	443	412	765	599	543
1989	494	465	420	747	557	524
1990	493	452	395	714	551	508
1991	487	440	395	701	549	489
1992	494	442	409	707	538	500
1993	489	426	396	690	529	484
1994	496	440	398	700	541	480
1995	498	438	384	720	546	480
1996	501	462	397	738	568	476
1997	508	433	406	749	569	513
1998	528	440	409	732	574	509
1999	506	441	401	751	613	507
2000	523	445	391	770	607	516
2001	532	469	410	764	587	521
2002	541	482	413	762	592	543
2003	561	464	421	766	605	511

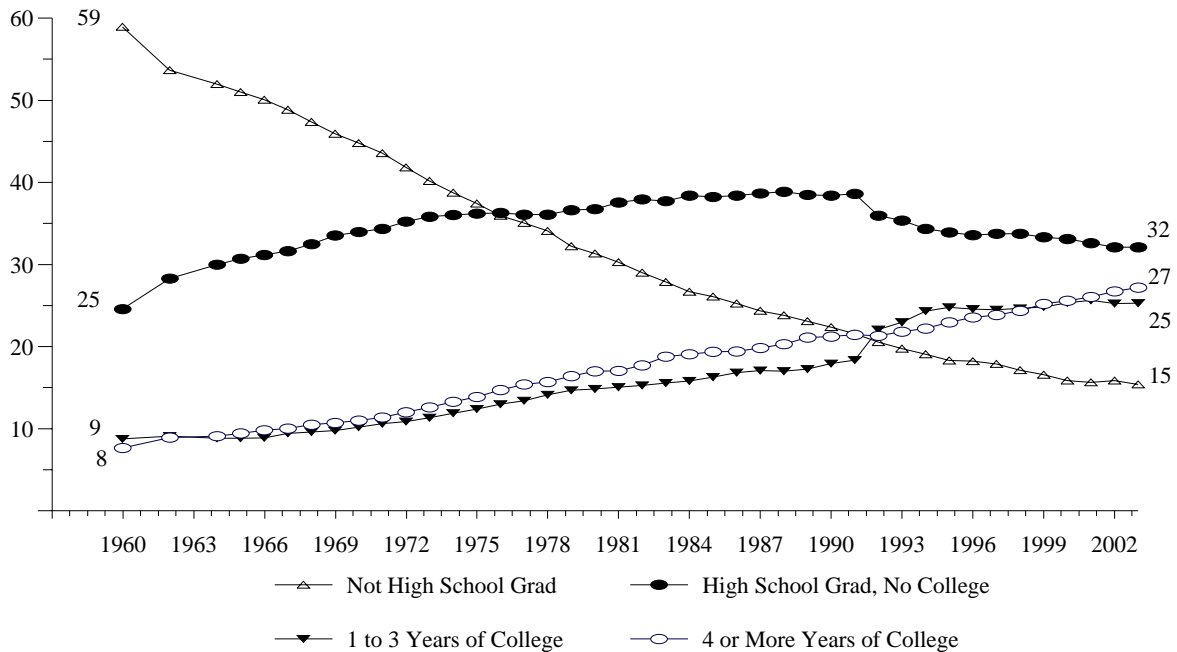
Note: Full-time, full-year workers work at least 48 weeks per year and 35 hours per week.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1981-2004.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 4. EDUCATIONAL ATTAINMENT

Figure WORK 4. Percentage of Adults Ages 25 and over, by Level of Educational Attainment: 1960-2003



Source: U.S. Bureau of the Census, "Educational Attainment in the United States, 2003," *Current Population Reports*, P20-550, and earlier reports.

- There has been a marked decline over the past 40 years in the percentage of the population that has not received a high school education. This percentage fell from 59 percent in 1960 to 15 percent in 2003.
- The percentage of the population receiving a high school education only (with no subsequent college) was 25 percent in 1960 and rose to 39 percent in 1988. Since then this figure has fallen to 32 percent in 2003, although some of this decline is a result of a change in the survey methodology in 1992 (see note to Table WORK 4).
- Between 1960 and 1990, the percentage of the population with some college (one to three years) doubled, from 9 percent to 18 percent. The apparent jump in 1992 is a result of a change in the survey methodology (see note to Table WORK 4), but the trend continued upward, reaching 25 percent in 2003.
- The percentage of the population completing four or more years of college has more than tripled from 1960 to 2003, rising steadily from 8 percent to 27 percent.

Table WORK 4. Percentage of Adults Ages 25 and over, by Level of Educational Attainment Selected Years

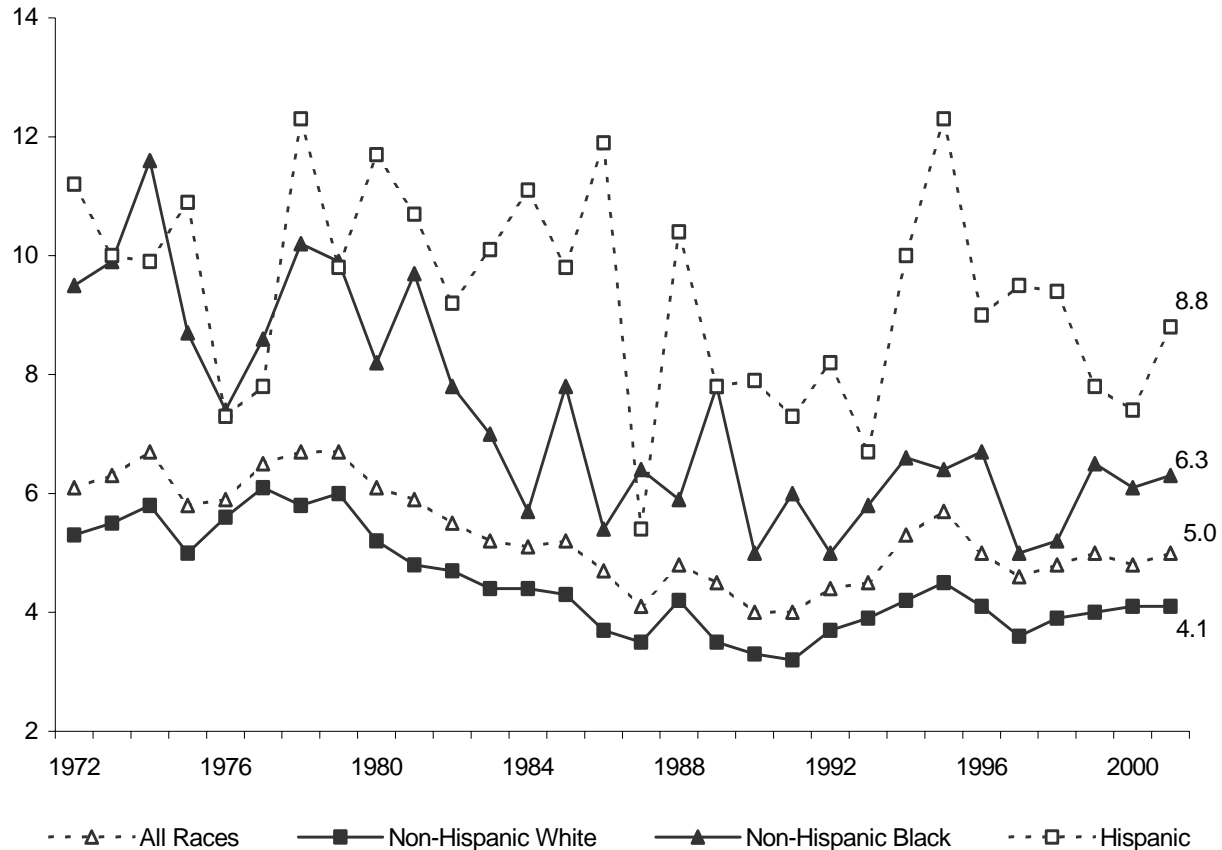
	Not a High School Graduate	Finished High School, No College	One to Three Years of College	Four or More Years of College
1940	76	14	5	5
1950	67	20	7	6
1960	59	25	9	8
1965	51	31	9	9
1970	45	34	10	11
1975	37	36	12	14
1980	31	37	15	17
1981	30	38	15	17
1982	29	38	15	18
1983	28	38	16	19
1984	27	38	16	19
1985	26	38	16	19
1986	25	38	17	19
1987	24	39	17	20
1988	24	39	17	20
1989	23	38	17	21
1990	22	38	18	21
1991	22	39	18	21
1992	21	36	22	21
1993	20	35	23	22
1994	19	34	24	22
1995	18	34	25	23
1996	18	34	25	24
1997	18	34	24	24
1998	17	34	25	24
1999	17	33	25	25
2000	16	33	25	26
2001	16	33	26	26
2002	16	32	25	27
2003	15	32	25	27

Note: Completing the GED is not considered completing high school for this table. Beginning with data for 1992, a new survey question results in different categories than for prior years. Data shown as Finished High School, No College were previously from the category "High School, 4 Years" and are now from the category "High School Graduate." Data shown as One to Three Years of College were previously from the category "College 1 to 3 Years" and are now the sum of the categories: "Some College" and two separate "Associate Degree" categories. Data shown as Four or More Years of College were previously from the category "College 4 Years or More," and are now the sum of the categories: "Bachelor's Degree," "Master's Degree," "Doctorate Degree," and "Professional Degree."

Source: U.S. Bureau of the Census, "Educational Attainment in the United States: 2003," *Current Population Reports*, P20-550, and earlier reports.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 5. HIGH-SCHOOL DROPOUT RATES

Figure WORK 5. Percentage of Students Enrolled in Grades 10 to 12 in the Previous Year Who Were Not Enrolled and Had Not Graduated in the Survey Year, by Race/Ethnicity: Selected Years



Source: U.S. Department of Education, National Center for Education Statistics, *Dropout Rates in the United States: 2001* and earlier years (based on Current Population Survey data from the October supplement).

- Dropout rates for teens in grades 10 to 12 (all races) generally declined during the 1980s, from a high of 6.7 percent in the late 1970s to a low of 4.0 percent in the early 1990s. The rate then began rising in the early 1990s, reaching as high as 5.7 percent in 1995. Since then, it has fallen and remained relatively stable, at or below 5.0 percent since 1996.
- Dropout rates among Hispanic and non-Hispanic black teens have fluctuated considerably over this period. Still, dropout rates are generally highest for Hispanic teens and lowest for non-Hispanic white teens. In 2001, the dropout rate was 8.8 percent for Hispanic teens, compared to 6.3 percent for non-Hispanic black teens and 4.1 percent for non-Hispanic white teens.

Table WORK 5. Percentage of Students Enrolled in Grades 10 to 12 in the Previous Year Who Were Not Enrolled and Had Not Graduated in the Survey Year, by Race/Ethnicity: Selected Years

	Total	Non-Hispanic White	Non-Hispanic Black	Hispanic
1972	6.1	5.3	9.5	11.2
1973	6.3	5.5	9.9	10.0
1974	6.7	5.8	11.6	9.9
1975	5.8	5.0	8.7	10.9
1976	5.9	5.6	7.4	7.3
1977	6.5	6.1	8.6	7.8
1978	6.7	5.8	10.2	12.3
1979	6.7	6.0	9.9	9.8
1980	6.1	5.2	8.2	11.7
1981	5.9	4.8	9.7	10.7
1982	5.5	4.7	7.8	9.2
1983	5.2	4.4	7.0	10.1
1984	5.1	4.4	5.7	11.1
1985	5.2	4.3	7.8	9.8
1986	4.7	3.7	5.4	11.9
1987	4.1	3.5	6.4	5.4
1988	4.8	4.2	5.9	10.4
1989	4.5	3.5	7.8	7.8
1990	4.0	3.3	5.0	7.9
1991	4.0	3.2	6.0	7.3
1992	4.4	3.7	5.0	8.2
1993	4.5	3.9	5.8	6.7
1994	5.3	4.2	6.6	10.0
1995	5.7	4.5	6.4	12.3
1996	5.0	4.1	6.7	9.0
1997	4.6	3.6	5.0	9.5
1998	4.8	3.9	5.2	9.4
1999	5.0	4.0	6.5	7.8
2000	4.8	4.1	6.1	7.4
2001	5.0	4.1	6.3	8.8

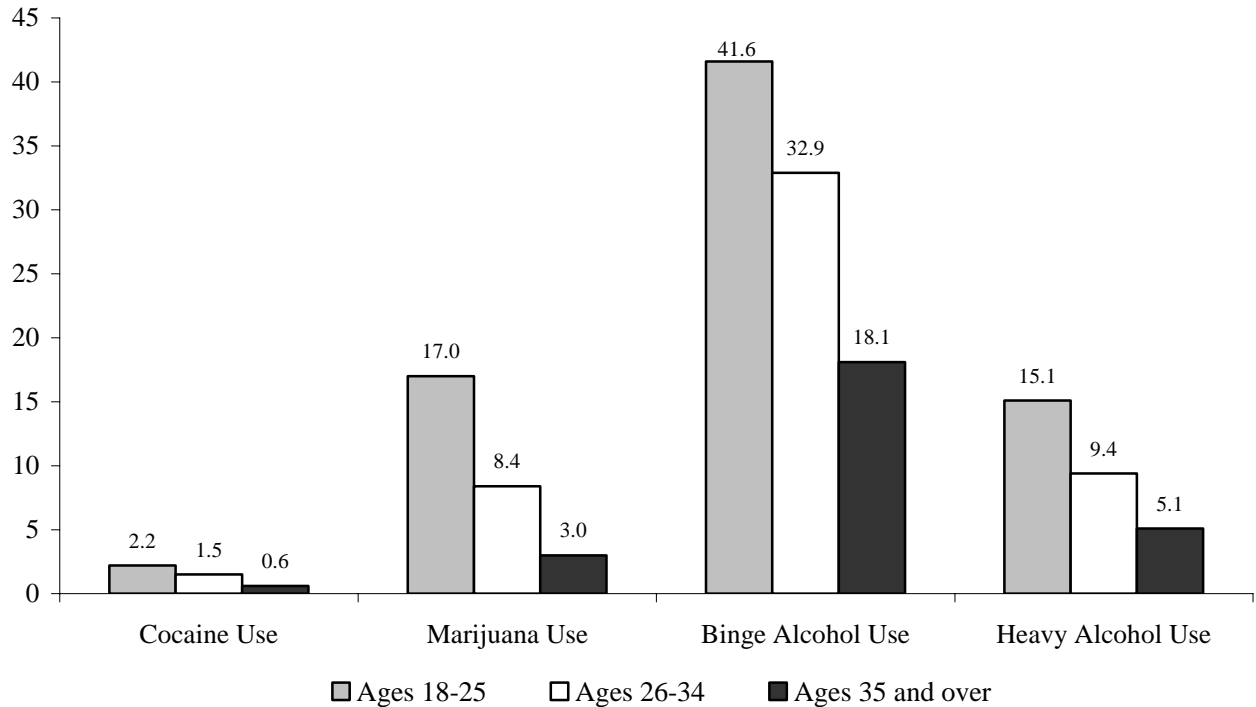
Note: Beginning in 1987, the Bureau of the Census instituted new editing procedures for cases with missing data on school enrollment. Beginning in 1992, the data reflect new wording of the educational attainment item in the CPS.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives and Asian/Pacific Islanders are included in the total but are not shown separately.

Source: U.S. Department of Education, National Center for Education Statistics, *Dropout Rates in the United States: 2001* and earlier years (based on Current Population Survey data from the October supplement).

EMPLOYMENT AND WORK-RELATED RISK FACTOR 6. ADULT ALCOHOL AND SUBSTANCE ABUSE

Figure WORK 6. Percentage of Adults Who Used Cocaine or Marijuana or Abused Alcohol, by Age: 2003



Source: U.S. Department of Health and Human Services, National Survey on Drug Use and Health, 2003.

- In 2003, young adults (ages 18 to 25) were more likely than older adults to report alcohol abuse, marijuana use, or cocaine use in the past month. For example, more than one in six (17 percent) of adults 18 to 25 reported using marijuana in the past month during 2003, compared with 8 percent of adults 26 to 34 and 3 percent of adults 35 and older.
- The percentage of persons reporting binge alcohol use was significantly larger than the percentages for all other reported behaviors across all age groups, as shown in Table WORK 6.
- Among all adult age categories, the use of cocaine, marijuana and alcohol abuse did not increase or decrease more than 1 percentage point between 2002 and 2003, as shown in Table WORK 6.

**Table WORK 6. Percentage of Adults Who Used Cocaine or Marijuana or Abused Alcohol
by Age: 1999 - 2003**

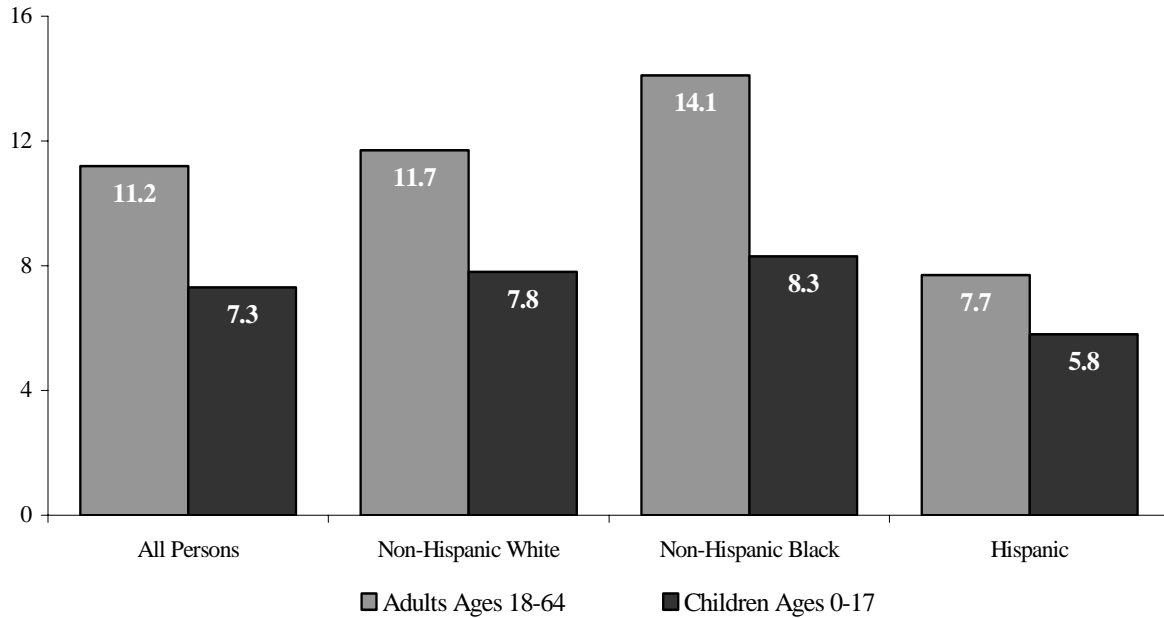
	1999	2000	2001	2002	2003
Cocaine					
Ages 18-25	1.7	1.4	1.9	2.0	2.2
Ages 26-34	1.2	0.8	1.1	1.2	1.5
Ages 35 and over	0.4	0.3	0.5	0.6	0.6
Marijuana					
Ages 18-25	14.2	13.6	16.0	17.3	17.0
Ages 26-34	5.4	5.9	6.8	7.7	8.4
Ages 35 and over	2.2	2.3	2.4	3.1	3.0
Binge Alcohol Use					
Ages 18-25	37.9	37.8	38.7	40.9	41.6
Ages 26-34	29.3	30.3	30.1	33.1	32.9
Ages 35 and over	16.0	16.4	16.2	18.6	18.1
Heavy Alcohol Use					
Ages 18-25	13.3	12.8	13.6	14.9	15.1
Ages 26-34	7.5	7.6	7.8	9.0	9.4
Ages 35 and over	4.2	4.1	4.2	5.2	5.1

Note: Cocaine and marijuana use is defined as use during the past month. "Binge Alcohol Use" is defined as drinking five or more drinks on the same occasion on at least one day in the past 30 days. "Occasion" means at the same time or within a couple hours of each other. "Heavy Alcohol Use" is defined as drinking five or more drinks on the same occasion on each of five or more days in the past 30 days; all Heavy Alcohol Users are also Binge Alcohol Users.

Source: U.S. Department of Health and Human Services, National Survey on Drug Use and Health, 1999-2003.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 7. ADULT AND CHILD DISABILITY

Figure WORK 7. Percentage of the Non-Elderly Population Reporting a Disability by Race/Ethnicity and Age: 2003



Source: Unpublished tabulations from the National Health Interview Survey, 2003.

- In 2003, non-elderly adults were more likely than children to have an activity limitation, 11.2 percent compared to 7.3 percent.
- While non-elderly adults were more likely than children to report an activity limitation, a higher percentage of children than adults were actually recipients of disability program benefits in 2003 (6.1 percent compared to 4.6 percent), as shown in Table WORK 7.
- Among both non-elderly adults and children, rates of activity limitation were somewhat similar for non-Hispanic whites and non-Hispanic blacks in 2003, but lower for Hispanics, as shown in Table WORK 7.

Table WORK 7. Percentage of the Non-Elderly Population Reporting a Disability, by Race/Ethnicity and Age: 2003

	Activity Limitation	Work Disability	Long-Term Care Needs	Disability Program Recipient
All Persons				
Adults Ages 18-64	11.2	8.5	2.0	4.6
Children Ages 0-17	7.3	NA	NA	6.1
Racial/Ethnic Categories (Adults Ages 18-64)				
Non-Hispanic White	11.7	8.9	2.1	4.4
Non-Hispanic Black	14.1	10.9	3.0	7.8
Hispanic	7.7	5.5	1.5	3.3
Racial/Ethnic Categories (Children Ages 0-17)				
Non-Hispanic White	7.8	NA	NA	6.6
Non-Hispanic Black	8.3	NA	NA	6.9
Hispanic	5.8	NA	NA	4.8

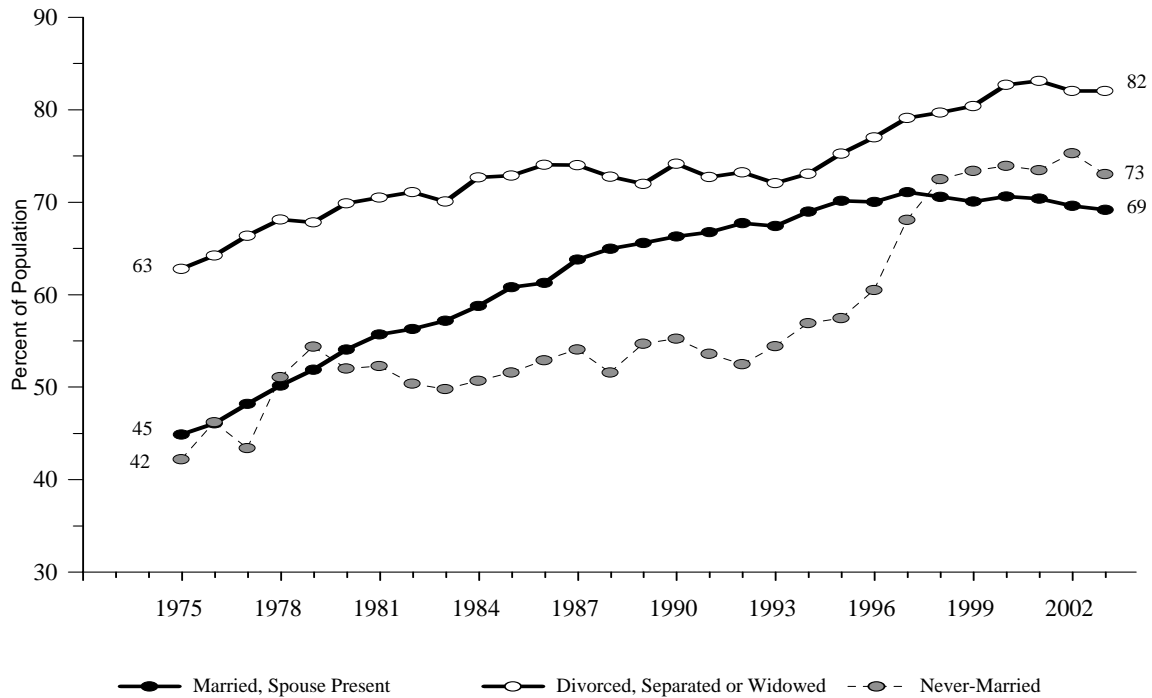
Note: Respondents were defined as having an activity limitation if they answered positively to any of the questions regarding: (1) work disability (see definition below); (2) long-term care needs (see definition below); (3) difficulty walking; (4) difficulty remembering; (5) for children under 5, limitations in the amount of play activities they can participate in because of physical, mental, or emotional problems; (6) for children 3 and over, receipt of Special Educational or Early Intervention Services; and, (7) any other limitations due to physical, mental, or emotional problems. Work disability is defined as limitations in or the inability to work as a result of a physical, mental or emotional health condition. Individuals are identified as having long-term care needs if they need the help of others in handling either personal care needs (eating, bathing, dressing, getting around the home) or routine needs (household chores, shopping, getting around for business or other purposes). Disability program recipients include persons covered by Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Special Education Services, Early Intervention Services, and/or disability pensions.

Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the National Health Interview Survey, 2003.

EMPLOYMENT AND WORK-RELATED RISK FACTOR 8. LABOR FORCE PARTICIPATION OF WOMEN WITH CHILDREN UNDER 18

Figure WORK 8. Labor Force Participation of Women with Children under 18: 1975-2003



Source: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1976-2004.

- Since 1996, the labor force participation rate of never-married women has increased dramatically from 61 percent to 73 percent. Beginning in 1998 the participation rate for never-married mothers exceeded the rate for married mothers. The employment to population ratio indicates a similarly steep rise in the number of never-married employed mothers from 49 percent in 1996 to 63 percent in 2003, as shown in Table WORK 8.
- Historically, mothers who are divorced, separated or widowed have always had the highest rates of labor force participation. The gap between them and married mothers, however, had narrowed considerably by 1994, before widening again over the next decade. In 2001, the labor force participation rate of divorced, separated or widowed mothers reached a peak of 83 percent.
- The labor force participation rate of married women with children under 18 followed an upward trend until 1997 when it peaked at 71 percent. Since then it has edged downward slowly to 69 percent in 2003.

Table WORK 8. Employment Status of Women with Children under 18 Years of Age: 1975-2003

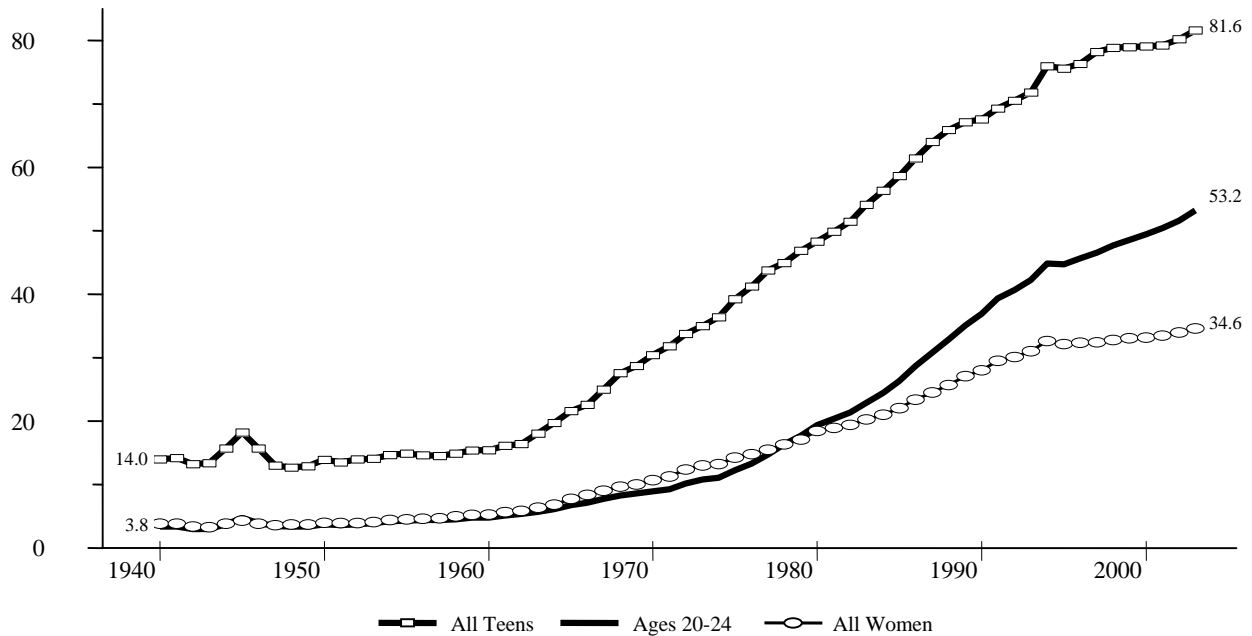
	Labor Force Participation Rate (percent of population)			Employment/Population Ratio		
	Married, Spouse Present	Divorced, Separated or Widowed	Never-Married	Married, Spouse Present	Divorced, Separated or Widowed	Never-Married
1975	44.9	62.8	42.2	40.5	54.9	32.1
1976	46.1	64.3	46.2	42.4	56.9	36.3
1977	48.2	66.4	43.4	44.6	58.7	29.6
1978	50.2	68.1	51.1	47.0	61.2	38.9
1979	51.9	67.8	54.4	48.6	61.4	42.6
1980	54.1	69.9	52.0	50.9	63.4	39.9
1981	55.7	70.5	52.3	52.1	63.0	38.3
1982	56.3	71.1	50.4	51.6	62.3	36.2
1983	57.2	70.1	49.8	52.4	58.5	34.5
1984	58.8	72.7	50.7	54.9	63.4	36.3
1985	60.8	72.9	51.6	56.8	64.0	39.3
1986	61.3	74.1	52.9	57.6	66.3	37.8
1987	63.8	74.0	54.1	60.4	66.5	40.2
1988	65.0	72.8	51.6	61.9	66.9	40.0
1989	65.6	72.0	54.7	63.1	66.0	43.1
1990	66.3	74.2	55.3	63.5	67.9	45.1
1991	66.8	72.7	53.6	63.2	66.1	44.0
1992	67.8	73.2	52.5	63.9	65.3	43.4
1993	67.5	72.1	54.4	64.2	65.9	44.0
1994	69.0	73.1	56.9	65.6	65.9	45.8
1995	70.2	75.3	57.5	67.1	69.1	47.9
1996	70.0	77.0	60.5	67.6	72.1	49.3
1997	71.1	79.1	68.1	68.6	72.0	56.6
1998	70.6	79.7	72.5	68.0	74.3	61.5
1999	70.1	80.4	73.4	68.0	75.4	64.8
2000	70.6	82.7	73.9	68.5	78.5	65.8
2001	70.4	83.1	73.5	68.0	78.7	64.6
2002	69.6	82.1	75.3	66.7	75.6	65.8
2003	69.2	82.0	73.1	66.3	74.7	63.2

Notes: The Labor Force Participation Rate includes all women who are employed, laid off or unemployed but looking for work. The Employment/Population Ratio includes only those women who are employed. The population of mothers with children under age 18 includes those 16 years of age and older.

Source: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1976-2004.

NONMARITAL BIRTH RISK FACTOR 1. NONMARITAL BIRTHS

Figure BIRTH 1. Percentage of Births that are Nonmarital, by Age Group: 1940-2003



Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Preliminary Data for 2003," *National Vital Statistics Reports*, Vol. 53 (9), November 2004.

- The percentage of children born outside of marriage to women of all ages has increased over the past six decades, from 4 percent in 1940 to 35 percent in 2003. This increase reflects changes in several factors: the rate at which unmarried women have children, the rate at which married women have children, and the rate at which women marry.
- The percentage of children born outside of marriage is especially high among teen women and women ages 20-24. A little more than four-fifths (82 percent) of all births to teens and over half (53 percent) of all births to women ages 20-24 took place outside of marriage in 2003.
- After reaching a peak of 33 percent in 1994, the percentage of births that are nonmarital has remained fairly steady. The growth in the percentage of nonmarital teen births also has slowed since 1994, although it is still rising (from 76 percent in 1994 to 82 percent in 2003). The steepest growth since 1994 is among the 20 to 24 year old age group, where the percentage of births that are nonmarital has increased from 45 to 53 percent.
- Recently, the percentage of births that are nonmarital has leveled off among black teens and all black women. Among white teens and all white women, the trend continues upward (see Table C-1 in Appendix C for nonmarital birth data by age and race).

Table BIRTH 1. Percentage of Births that are Nonmarital, by Age Group: Selected Years

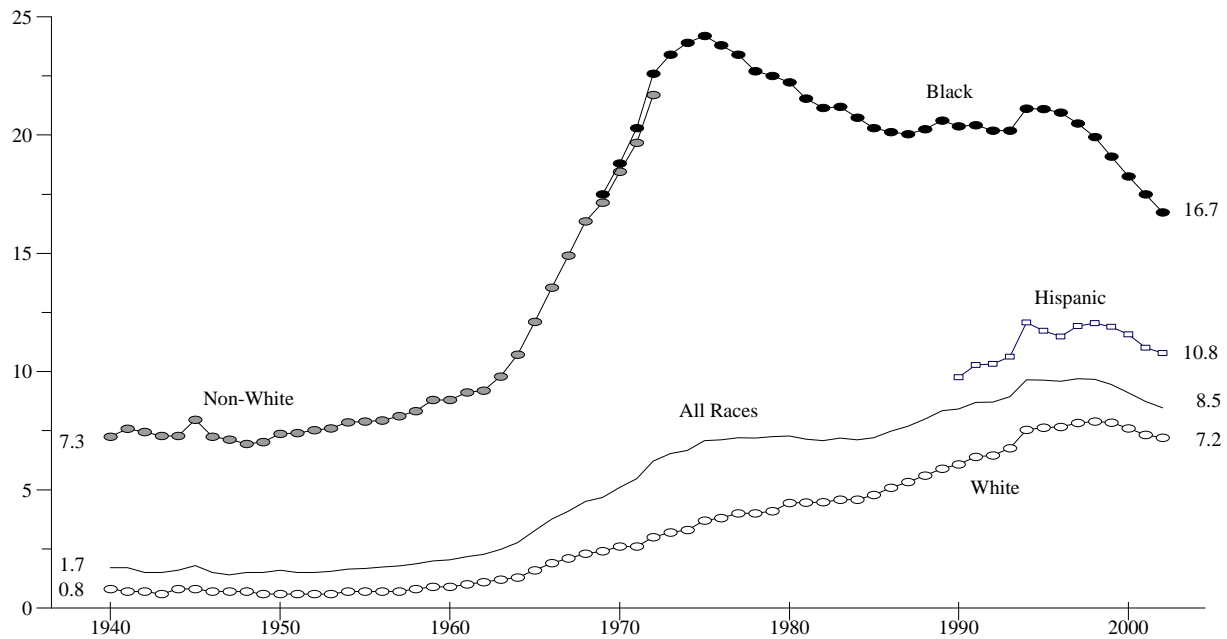
Year	Under 15	15-17 Years	18-19 Years	All Teens	20-24 Years	All Women
1940	64.5	NA	NA	14.0	3.7	3.8
1945	70.0	NA	NA	18.2	4.7	4.3
1950	63.7	22.6	9.4	13.9	3.8	4.0
1955	66.3	23.2	10.3	14.9	4.4	4.5
1960	67.9	24.0	10.7	15.4	4.8	5.3
1965	78.5	32.8	15.3	21.6	6.8	7.7
1970	80.8	43.0	22.4	30.5	8.9	10.7
1975	87.0	51.4	29.8	39.3	12.3	14.3
1980	88.7	61.5	39.8	48.3	19.4	18.4
1981	89.2	63.3	41.4	49.9	20.4	18.9
1982	89.2	65.0	43.0	51.4	21.4	19.4
1983	90.4	67.5	45.7	54.1	22.9	20.3
1984	91.1	69.2	48.1	56.3	24.5	21.0
1985	91.8	70.9	50.7	58.7	26.3	22.0
1986	92.5	73.3	53.6	61.5	28.7	23.4
1987	92.9	76.2	55.8	64.0	30.8	24.5
1988	93.6	77.1	58.5	65.9	32.9	25.7
1989	92.4	77.7	60.4	67.2	35.1	27.1
1990	91.6	77.7	61.3	67.6	36.9	28.0
1991	91.3	78.7	63.2	69.3	39.4	29.5
1992	91.3	79.2	64.6	70.5	40.7	30.1
1993	91.3	79.9	66.1	71.8	42.2	31.0
1994	94.5	84.1	70.0	75.9	44.9	32.6
1995	93.5	83.7	69.8	75.6	44.7	32.2
1996	93.8	84.4	70.8	76.3	45.6	32.4
1997	95.7	86.7	72.5	78.2	46.6	32.4
1998	96.6	87.5	73.6	78.9	47.7	32.8
1999	96.5	87.7	74.0	79.0	48.5	33.0
2000	96.5	87.7	74.3	79.1	49.5	33.2
2001	96.3	87.8	74.6	79.2	50.4	33.5
2002	97.0	88.5	75.8	80.2	51.6	34.0
2003 preliminary	97.1	89.7	77.3	81.6	53.2	34.6

Note: Trends in nonmarital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring nonmarital births when marital status is not reported.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940-1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Preliminary Data for 2003," *National Vital Statistics Reports*, Vol. 53 (9), November 2004 and unpublished NCHS data. Additional computations by ASPE staff of percentages for all teens (this age category not reported by NCHS).

NONMARITAL BIRTH RISK FACTOR 2. NONMARITAL TEEN BIRTHS

Figure BIRTH 2. Percentage of All Births that are Nonmarital Teen Births, by Race and Ethnicity 1940-2002



Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940 - 1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2002," *National Vital Statistics Reports*, Vol. 52 (10), December 2003.

- In contrast to the earlier Figure BIRTH 1, which showed nonmarital teen births as a percentage of all teen births, Figure BIRTH 2 shows births to unmarried teens as a percentage of births to all women. This percentage fell in the last four years, from 9.7 to 8.5 percent, reversing a long upward trend since 1940. This rate may be affected by several factors: the age distribution of women, the marriage rate among teens, the birth rate among unmarried teens, and the birth rate among all other women.
- The percentage of all births that were nonmarital teen births has also dropped among white women over the past four years, declining to 7.2 percent in 2002. This drop is in contrast to the long upward trend, from less than 1 percent in 1960 to nearly 8 percent in 1998.
- Among black women, the percentage of all births that were nonmarital teen births fell to 16.7 percent in 2002, the lowest percentage since 1969. This rate has varied greatly since 1940, rising sharply to a peak of 24 percent in 1975, and showing a gradual decline in most years since then. The sharp increase in the late 1960s and early 1970s reflects a 30 percent rise in nonmarital teen births among black women concurrent with a 6 percent decline in total black births from 1969 to 1975.

Table BIRTH 2. Percentage of All Births that are Nonmarital Teen Births, by Race and Ethnicity: Selected Years

Year	All Races	White	Black	Hispanic
1940	1.7	0.8	NA	NA
1945	1.8	0.8	NA	NA
1950	1.6	0.6	NA	NA
1955	1.7	0.7	NA	NA
1960	2.0	0.9	NA	NA
1965	3.3	1.6	NA	NA
1970	5.1	2.6	18.8	NA
1975	7.1	3.7	24.2	NA
1980	7.3	4.4	22.2	NA
1981	7.1	4.5	21.5	NA
1982	7.1	4.5	21.2	NA
1983	7.2	4.6	21.2	NA
1984	7.1	4.6	20.7	NA
1985	7.2	4.8	20.3	NA
1986	7.5	5.1	20.1	NA
1987	7.7	5.3	20.0	NA
1988	8.0	5.6	20.3	NA
1989	8.3	5.9	20.6	NA
1990	8.4	6.1	20.4	9.8
1991	8.7	6.4	20.4	10.3
1992	8.7	6.5	20.2	10.3
1993	8.9	6.8	20.2	10.6
1994	9.7	7.5	21.1	12.1
1995	9.6	7.6	21.1	11.7
1996	9.6	7.7	20.9	11.5
1997	9.7	7.8	20.5	11.9
1998	9.7	7.9	19.9	12.1
1999	9.5	7.8	19.1	11.9
2000	9.1	7.6	18.3	11.6
2001	8.7	7.3	17.5	11.0
2002	8.5	7.2	16.7	10.8

Note: Trends in nonmarital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring nonmarital births when marital status is not reported. Beginning in 1980, data are tabulated by the race of the mother. Prior to 1980, data are tabulated by the race of the child. Teens are defined as people ages 15 to 19.

Race categories include those of Hispanic ethnicity. Persons of Hispanic ethnicity may be of any race. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940-1999," *National Vital Health Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2002," *National Vital Statistics Reports*, Vol. 52 (10), December 2003.

NONMARITAL BIRTH RISK FACTOR 3. NONMARITAL TEEN BIRTH RATES WITHIN AGE GROUPS

Figure BIRTH 3a. Births per 1,000 Unmarried Teens Ages 15 to 17, by Race: 1960-2002

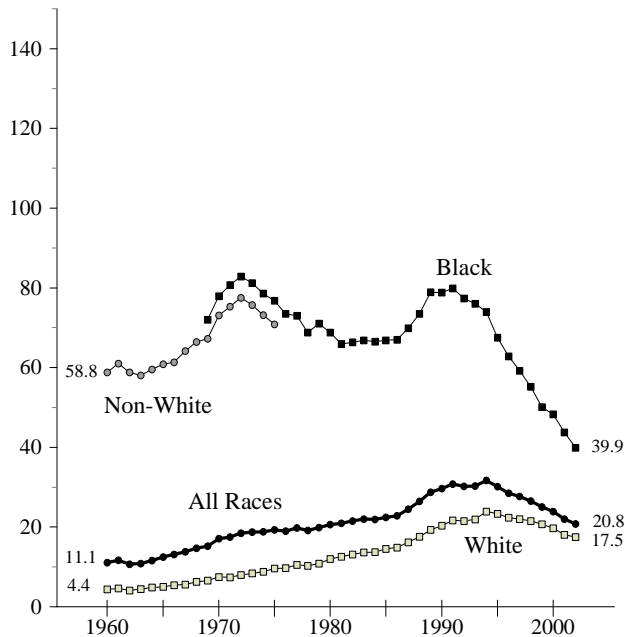
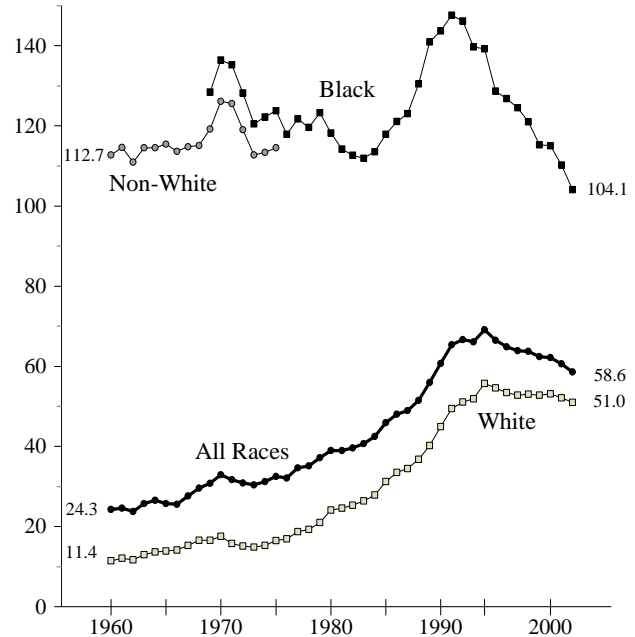


Figure BIRTH 3b. Births per 1,000 Unmarried Teens Ages 18 and 19, by Race: 1960-2002



Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940-1999," *National Vital Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2002," *National Vital Statistics Reports*, Vol. 52 (10), December 2003.

- The birth rate per 1,000 unmarried teens fell again in 2002 for both black and white teens and for both younger (15 to 17 years) and older age groups (18 and 19 years). The rate for black teens ages 18 and 19, for example, fell from 139 per thousand in 1994 to 104 per thousand in 2002. Declines were larger among black teens than among white teens.
- Prior to 1994, birth rates among unmarried white teens in both age groups rose steadily for nearly three decades (from 4 to 24 percent among 15 to 17 year-olds and from 11 to 56 percent among 18 and 19 year-olds).
- The birth rate among unmarried black teens in both age groups was lower in 2002 than it has been in over four decades. While birth rates among unmarried black teens remain high compared to rates for unmarried white teens, the gap between black and white teens narrowed considerably during the 1990s.

Table BIRTH 3. Births per 1,000 Unmarried Teen Women within Age Groups, by Race: 1950-2002

Year	Ages 15 to 17			Ages 18 and 19		
	All Races	White	Black	All Races	White	Black
1950	9.9	3.4	NA	18.3	8.5	NA
1955	11.1	3.9	NA	23.6	10.3	NA
1960	11.1	4.4	NA	24.3	11.4	NA
1961	11.7	4.6	NA	24.6	12.1	NA
1962	10.7	4.1	NA	23.8	11.7	NA
1963	10.9	4.5	NA	25.8	13.0	NA
1964	11.6	4.9	NA	26.5	13.6	NA
1965	12.5	5.0	NA	25.8	13.9	NA
1966	13.1	5.4	NA	25.6	14.1	NA
1967	13.8	5.6	NA	27.6	15.3	NA
1968	14.7	6.2	NA	29.6	16.6	NA
1969	15.2	6.6	72.0	30.8	16.6	128.4
1970	17.1	7.5	77.9	32.9	17.6	136.4
1971	17.5	7.4	80.7	31.7	15.8	135.2
1972	18.5	8.0	82.8	30.9	15.1	128.2
1973	18.7	8.4	81.2	30.4	14.9	120.5
1974	18.8	8.8	78.6	31.2	15.3	122.2
1975	19.3	9.6	76.8	32.5	16.5	123.8
1976	19.0	9.7	73.5	32.1	16.9	117.9
1977	19.8	10.5	73.0	34.6	18.7	121.7
1978	19.1	10.3	68.8	35.1	19.3	119.6
1979	19.9	10.8	71.0	37.2	21.0	123.3
1980	20.6	12.0	68.8	39.0	24.1	118.2
1981	20.9	12.6	65.9	39.0	24.6	114.2
1982	21.5	13.1	66.3	39.6	25.3	112.7
1983	22.0	13.6	66.8	40.7	26.4	111.9
1984	21.9	13.7	66.5	42.5	27.9	113.6
1985	22.4	14.5	66.8	45.9	31.2	117.9
1986	22.8	14.9	67.0	48.0	33.5	121.1
1987	24.5	16.2	69.9	48.9	34.5	123.0
1988	26.4	17.6	73.5	51.5	36.8	130.5
1989	28.7	19.3	78.9	56.0	40.2	140.9
1990	29.6	20.4	78.8	60.7	44.9	143.7
1991	30.8	21.7	79.9	65.4	49.4	147.6
1992	30.2	21.5	77.3	66.7	51.1	146.2
1993	30.3	21.9	76.0	66.1	51.9	139.7
1994	31.7	23.9	74.0	69.1	55.7	139.2
1995	30.1	23.3	67.5	66.5	54.6	128.7
1996	28.5	22.3	62.8	64.9	53.4	126.8
1997	27.7	22.0	59.2	63.9	52.8	124.5
1998	26.5	21.5	55.2	63.7	53.0	121.0
1999	25.0	20.7	50.1	62.4	52.8	115.3
2000	23.9	19.7	48.3	62.2	53.1	115.0
2001	22.0	18.1	43.8	60.6	52.1	110.2
2002	20.8	17.5	39.9	58.6	51.0	104.1

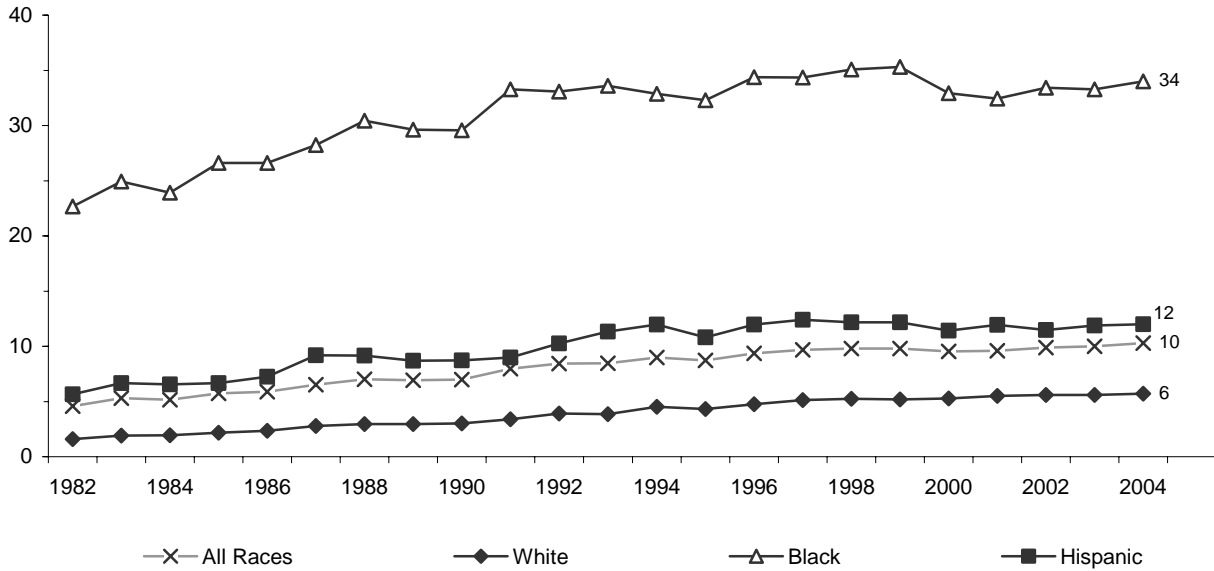
Note: Rates are per 1,000 unmarried women in specified group. Trends in nonmarital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring nonmarital births when marital status is not reported. Beginning in 1980, data are tabulated by the race of the mother. Prior to 1980, data are tabulated by the race of the child. Rates for 1990-1999 have been revised on the basis of intercensal population estimates benchmarked to the 2000 decennial census and differ from earlier editions of this report.

Race categories include those of Hispanic ethnicity. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: National Center for Health Statistics, "Nonmarital Childbearing in the United States, 1940-1999," *National Vital Statistics Reports*, Vol. 48 (16), 2000; "Births: Final Data for 2002," *National Vital Statistics Reports*, Vol. 52 (10), December 2003. Birthrates for 1950 to 1965 computed by ASPE staff from NCHS birth data and Census population estimates.

NONMARITAL BIRTH RISK FACTOR 4. NEVER-MARRIED FAMILY STATUS

Figure BIRTH 4. Percentage of All Children Living in Families with a Never-Married Female Head by Race/Ethnicity: 1982-2004



Source of CPS data: U.S. Bureau of the Census, "Marital Status and Living Arrangements," *Current Population Reports*, Series P20-212, 287, 365, 380, 399, 418, 423, 433, 445, 450, 461, 468, 478, 484, 491, 496, 506, 514, 537 various years, and ASPE tabulations of the CPS for 2003 and 2004.

Source of 1960 data: U.S. Bureau of the Census, 1960 Census of Population, PC(2)-4B, "Persons by Family Characteristics," Tables 1 and 19.

- The percentage of children living in families with never-married female heads increased from under 5 percent in 1982 to just over 10 percent in 2004.
- The percentage of white children living in families headed by never-married women has continued to rise over the past twenty years, from less than 2 percent in 1982 to almost 6 percent in 2004.
- Among Hispanics, the percentage of children living with never-married female heads more than doubled over the past twenty years, going from less than 6 percent in 1982 to 12 percent in 1996. Since then it has fluctuated up and down by about one-half a percentage point.
- The percentage of black children living in families headed by never-married women was much higher than the percentages for other groups throughout the time period.

Table BIRTH 4. Number and Percentage of All Children Living in Families with a Never-Married Female Head, by Race/Ethnicity: Selected Years

Year	Number of Children (thousands)				Percentage			
	All Races	White	Black	Hispanic	All Races	White	Black	Hispanic
1960	221	49	173	NA	0.4	0.1	2.2	NA
1970	527	110	442	NA	0.8	0.2	5.2	NA
1975	1,166	296	864	NA	1.8	0.5	9.9	NA
1980	1,745	501	1,193	210	2.9	1.0	14.5	4.0
1982	2,768	793	1,947	291	4.6	1.6	22.7	5.7
1984	3,131	959	2,109	357	5.2	1.9	23.9	6.5
1986	3,606	1,174	2,375	451	5.9	2.3	26.6	7.2
1987	3,985	1,385	2,524	587	6.5	2.8	28.2	9.2
1988	4,302	1,482	2,736	600	7.0	3.0	30.4	9.2
1989	4,290	1,483	2,695	592	6.9	2.9	29.6	8.7
1990	4,365	1,527	2,738	605	7.0	3.0	29.6	8.7
1991	5,040	1,725	3,176	644	8.0	3.4	33.3	9.0
1992	5,410	2,016	3,192	757	8.4	3.9	33.1	10.3
1993	5,511	2,015	3,317	848	8.5	3.9	33.6	11.3
1994	6,000	2,412	3,321	1,083	9.0	4.5	32.9	12.0
1995	5,862	2,317	3,255	1,017	8.7	4.3	32.3	10.8
1996	6,365	2,563	3,567	1,161	9.4	4.8	34.4	12.0
1997	6,598	2,788	3,575	1,242	9.7	5.1	34.3	12.4
1998	6,700	2,850	3,644	1,254	9.8	5.2	35.1	12.2
1999	6,736	2,826	3,643	1,297	9.8	5.2	35.3	12.2
2000	6,591	2,881	3,413	1,256	9.5	5.3	32.9	11.4
2001	6,636	3,014	3,382	1,340	9.6	5.5	32.4	11.9
2002	6,872	3,048	3,573	1,400	9.9	5.6	33.4	11.5
2003	7,008	3,028	3,454	1,497	10.0	5.6	33.3	11.9
2004	7,203	3,097	3,538	1,567	10.3	5.7	34.0	12.0

Note: Data are for all children under 18 who are not family heads (excludes householders, subfamily reference persons, and their spouses). Also excludes inmates of institutions; children who are living with neither of their parents are excluded from the denominator. Based on Current Population Survey (CPS) except 1960, which is based on decennial census data. In 1982, improved data collection and processing procedures helped to identify parent-child subfamilies. (See *Current Population Reports*, P-20, 399, Marital Status and Living Arrangements: March 1984.)

Race categories include those of Hispanic ethnicity. Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately. Nonwhite data are shown for Black in 1960.

Source of CPS data: U.S. Bureau of the Census, "Marital Status and Living Arrangements," *Current Population Reports*, Series P20-212, 287, 365, 380, 399, 418, 423, 433, 445, 450, 461, 468, 478, 484, 491, 496, 506, 514, 537, various years, and ASPE tabulations of the CPS, for 2003 and 2004.

Source of 1960 data: U.S. Bureau of the Census, 1960 Census of Population, PC(2)-4B, "Persons by Family Characteristics," Tables 1 and 19.

Appendix A
Program Data

Appendix A. Program Data

The Welfare Indicators Act of 1994 specifies that the annual welfare indicators reports shall include analyses of families and individuals receiving assistance under three means-tested benefit programs: the Aid to Families with Dependent Children (AFDC) program authorized under part A of title IV of the Social Security Act (replaced with the Temporary Assistance for Needy Families (TANF) program by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996), the Food Stamp Program under the Food Stamp Act of 1977, as amended, and the Supplemental Security Income (SSI) program under title XVI of the Social Security Act. This chapter includes information on these three programs, derived primarily from administrative data reported by state and federal agencies instead of the national survey data presented in previous chapters. National caseloads and expenditure trend information on each of the three programs is included, as well as state-by-state trend tables and information on the characteristics of program participants.

Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF)

The Aid to Families with Dependent Children (AFDC) program — originally named the Aid to Dependent Children program — was established by the Social Security Act of 1935 as a grant program to enable states to provide cash welfare payments for needy children who had been deprived of parental support or care because their father or mother was absent from the home, incapacitated, deceased, or unemployed. All 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands operated an AFDC program. States defined “need,” set their own benefit levels, established (within federal limitations) income and resource limits, and administered the program or supervised its administration. States were entitled to unlimited federal funds for reimbursement of benefit payments, at “matching” rates that were inversely related to state per capita income. States were required to provide aid to all persons who were in classes eligible under federal law and whose income and resources were within state-set limits.

During the 1990s, the federal government increasingly used its authority under section 1115 of the Social Security Act to waive portions of the federal requirements under AFDC. This allowed states to test such changes as expanded earned income disregards, increased work requirements and stronger sanctions for failure to comply with them, time limits on benefits, and expanded access to transitional benefits such as child care and medical assistance. As a condition of receiving waivers, states were required to conduct rigorous evaluations of the impacts of these changes on the welfare receipt, employment, and earnings of participants.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) replaced AFDC, AFDC administration, the Job Opportunities and Basic Skills Training (JOBS) program and the Emergency Assistance (EA) program with a block grant called the Temporary Assistance for Needy Families (TANF) program. Key elements of TANF include a lifetime limit of five years (60 months) on the amount of time a family with an adult can receive assistance funded with federal funds, increasing work participation rate requirements that states must meet, and broad state flexibility on program design. Spending through the TANF block grant is capped and funded at \$16.5 billion per year, slightly above fiscal year 1995 federal expenditures for the

four component programs. States also must meet a “maintenance of effort (MOE) requirement” by spending on needy families at least 75 percent of the amount of state funds used in FY 1994 on these programs (80 percent if they fail work participation rate requirements).

TANF gives states wide latitude in spending both federal TANF funds and state MOE funds. Subject to a few restrictions, TANF funds may be used in any way that supports one of the four statutory purposes of TANF: to provide assistance to needy families so that children can be cared for at home; to end the dependence of needy parents on government benefits by promoting job preparation, work and marriage; to prevent and reduce the incidence of out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.

Recent Legislative Action

Legislative authority for the TANF block grant program expired September 2002. Since then, the program has been operated under a series of short-term extensions.

In February 2002, President Bush proposed a plan, Working Toward Independence, to strengthen welfare reform, in order to help families remaining on welfare and other low-income families move toward self-sufficiency. The House of Representatives passed bills incorporating the key elements of the President’s plan in both the 107th Congress (H.R. 4737) and the 108th Congress (H.R. 4), with work progressing on a similar bill (H.R. 240) in the 109th Congress. Senate versions of TANF reauthorization have been reported out of committee (S. 667 in the 109th Congress). Final enactment of TANF reauthorization is expected in 2005.

Data Issues Relating to the AFDC-TANF Transition

States had the option of beginning their TANF programs as soon as PRWORA was enacted in August 1996, and a few states began TANF programs as early as September 1996. All states were required to implement TANF by July 1, 1997. Because states implemented TANF at different times, the FY 1997 data reflect a combination of the AFDC and TANF programs. In some states, limited data are available for FY 1997 because states were given a transition period of six months after they implemented TANF before they were required to report data on the characteristics and work activities of TANF participants.

Because of the greatly expanded range of activities allowed under TANF, a substantial portion of TANF funds are being spent on activities other than cash payments to families. Table TANF 4 in this Appendix which tracks overall expenditure trends includes only those TANF funds spent on “cash and work-based assistance” and “administrative costs,” not on work activities, supportive services, or other allowable uses of funds. Spending on these other activities is detailed in Table TANF 5. Note that TANF administrative costs include funds spent administering all activities, not just cash and work-based assistance. (Administrative costs under AFDC had included a small amount of funds for administering AFDC child care programs; such programs, and the costs of administering them, were transferred to the Child Care and Development Fund as part of PRWORA.)

There also is potential for discontinuity between the AFDC and the TANF caseload figures. For example, under TANF there is no longer a separate “Unemployed Parent” (UP) program, as there was under AFDC. While a separate work participation rate is calculated for two-parent families, this population is not identical to the UP caseload under AFDC. It is also possible that a limited number of families will be considered recipients of TANF assistance, even if they do not receive a monthly cash benefit. At present, the vast majority of families receiving “assistance”¹ are, in fact, receiving cash payments; however, this may change over time.

One source of discontinuity was removed in the 2004 edition of the *Indicators* report. Under TANF some states provide cash and other forms of assistance to specific categories of families (e.g., two-parent families) under Separate State Programs (SSPs), funded out of MOE dollars rather than federal TANF funds. This allows the states additional flexibility with regard to the time limits and work requirements. The official TANF caseload figures do not include these families. Starting with the 2004 edition, we have added recipients in SSPs into the caseload totals (the split between TANF and SSP caseloads is shown in Table TANF 3, nationally, and in Table TANF 15, by state) but Tribal TANF families are not included in any of the caseload counts. Expenditures for Separate State Programs are shown in Table TANF 5.

AFDC/TANF Program Data

The following tables and figures present data on caseloads, expenditures, and recipient characteristics of the AFDC and TANF programs. Trends in national caseloads and expenditures are shown in Figure TANF 1 and the first set of tables (Tables TANF 1 through 6). These are followed by information on characteristics of AFDC/TANF families (Table TANF 7)² and a series of tables presenting state-by-state data on trends in the AFDC/TANF program (Tables TANF 8 through 17). These data complement the data on trends in AFDC/TANF reciprocity and participation rates shown in Tables IND 3a and IND 4a in Chapter II.

AFDC/TANF Caseload Trends (Tables TANF 1 through TANF 3 and Figure TANF 1). Welfare caseloads have stabilized over the past few years after declining dramatically during the 1990s. In fiscal year 2003, the average monthly number of TANF recipients was 5.5 million persons, down 2.4 percent from FY 2002. Moreover, this was 56 percent lower than the average monthly AFDC caseload in fiscal year 1996 and the smallest number of people on welfare since 1968. From the peak of 14.4 million in March 1994, the number of AFDC/TANF recipients

¹ States are allowed to use TANF funds on a variety of services, including employment and training services, domestic violence services, child care, transportation, and other support services. Families receiving such services, however, generally should not be counted as recipients of TANF “assistance.” Under the final regulations for TANF, “assistance” primarily includes payments directed at ongoing basic needs. It includes payments when individuals are participating in community service and work experience (or other work activities) as a condition of receiving payments (e.g., workfare). In addition to cash assistance, the definition also includes certain child care and transportation benefits (provided the families are not employed). It excludes, however, such things as: non-recurrent, short-term benefits; services without a cash value, such as education and training, case management, job search, and counseling; and benefits such as child care and transportation when provided to employed families.

² Family characteristics in Table TANF 7 may differ from those reported in Chapter II because the administrative data focus on the assistance unit, whereas the survey-based data in Chapter II often use a broader family unit definition. For example, grandparents, adult siblings, aunts, uncles, and other adult relatives living in the same household as the recipient children may be excluded from the assistance unit and thus the administrative data, yet be included in survey data on the family in which the TANF recipient resides.

dropped by nearly 63 percent to 5.3 million in March 2004.³ Over three-fourths of the reduction in the caseload since March 1994 has occurred following the implementation of TANF (data not shown). These are the largest welfare caseload declines in the history of U.S. welfare programs.

Several studies have attempted to explain the unprecedented decline in caseloads and, specifically, to disentangle the effects of PRWORA and welfare reform from the simultaneous growth in the U.S. economy. Separating these effects is difficult, however, because PRWORA was enacted at a time when the economy was expanding dramatically, offering a uniquely conducive environment within which to move many recipients off the welfare rolls and into the labor market. Other policy changes, most notably expansions in the Earned Income Tax Credit, add further complexity.

In general, studies have found that both economic conditions and welfare reform policies have played important roles in the recent caseload decline. A review of a dozen studies concluded that roughly 15 to 30 percent of the caseload decline prior to 1996 was attributed by most studies to welfare policies under waivers to the AFDC rules with approximately 30 to 45 percent of the decline explained by economic conditions (Schoeni and Blank, 2000). A study by the Council of Economic Advisers (1999) of the post-PRWORA period finds that just over one-third of the caseload decline can be explained by welfare reform policy, while 8 to 10 percent is due to the economy. A more recent study estimates that over half the decline in caseloads after enactment of PRWORA was attributable to welfare reform (O'Neill and Hill, 2001). The relative stability of the caseload during the recent recession further supports the argument that the economy was only one of several factors driving caseloads down.

AFDC/TANF Expenditures (Tables TANF 4 through TANF 6 and Figure TANF 2). Tables TANF 4 and 5 show trends in expenditures on AFDC and TANF. Table TANF 4 tracks both programs, breaking out the costs of benefits and administrative expenses. It also shows the division between federal and state spending. Table TANF 5 shows the variety of activities funded under the TANF program.

Figure TANF 2 and Table TANF 6 show that inflation has had a significant effect in eroding the value of the average monthly AFDC/TANF benefit. In real dollars, by 2003 the average monthly benefit per recipient had declined to 61 percent of what it was at its peak in the late 1970s.

AFDC/TANF Recipient Characteristics (Table TANF 7). With the dramatic declines in the welfare rolls since the implementation of TANF, there has been a great deal of speculation regarding how the composition of the caseload has changed. Two striking trends are the increases in the proportion of families with no adult in the assistance unit and in employment among adult recipients.

One of the most dramatic trends is the increase in the proportion of adult recipients who are working. In FY 2003, 23 percent of TANF adult recipients were employed, up from 11 percent in FY 1996 and 7 percent in FY 1993, as shown in Table TANF 7. Adding in those in work experience and community service positions, the percentage working was 28 percent in FY 2003 (data not shown). Similar upward trends are shown in data on income from earnings. These

³ Note that these figures include recipients in SSPs, who are usually omitted from TANF caseload statistics.

trends likely reflect positive effects of welfare-to-work programs, the strong economy, and the fact that, with larger earnings disregards, families with earnings do not exit welfare as rapidly. In addition, the increased employment of welfare recipients is consistent with broader trends in labor force participation. (For example, see Table WORK 2 in Chapter III for trends in employment rates for women with no more than a high school education.)

Another dramatic change in the caseload is the increasing fraction of cases without an adult recipient. Such cases occur when the adults are ineligible (because they are a caretaker relative, SSI parent, immigrant parent, or sanctioned parent). Families with no adults in the assistance unit have climbed from 14.8 percent of the caseload in FY 1992 to 40.9 percent in FY 2003. Not counting cases with a sanctioned parent, 38.0 percent of the caseload was child-only in 2003. This dramatic growth has been due to an increase in the number of child-only cases during the early 1990s, followed by a decline in the number of adult-present cases. Even though child-only cases are generally not subject to the work requirements or time limits under TANF, the number of cases without an adult in the assistance unit has fallen by about 150,000 since 1996 — between 1996 and 1998 the child-only caseload decreased by 250,000 but subsequently increased by 100,000.

In other areas, the administrative data show fewer changes in composition than might have been expected. There has been widespread anecdotal evidence that the most job ready recipients — those with the fewest barriers to employment — have already exited the welfare caseload and have stopped coming onto the welfare rolls, leaving a more disadvantaged population remaining. However, as the expectations for welfare recipients have increased, and fewer recipients are totally exempted from work requirements, others have speculated that the most disadvantaged recipients may also have been sanctioned off the rolls or terminated for failure to comply with administrative requirements. In fact, analyses of program data have not found much evidence of an increase or decline in readily observed barriers to employment in the current caseload.

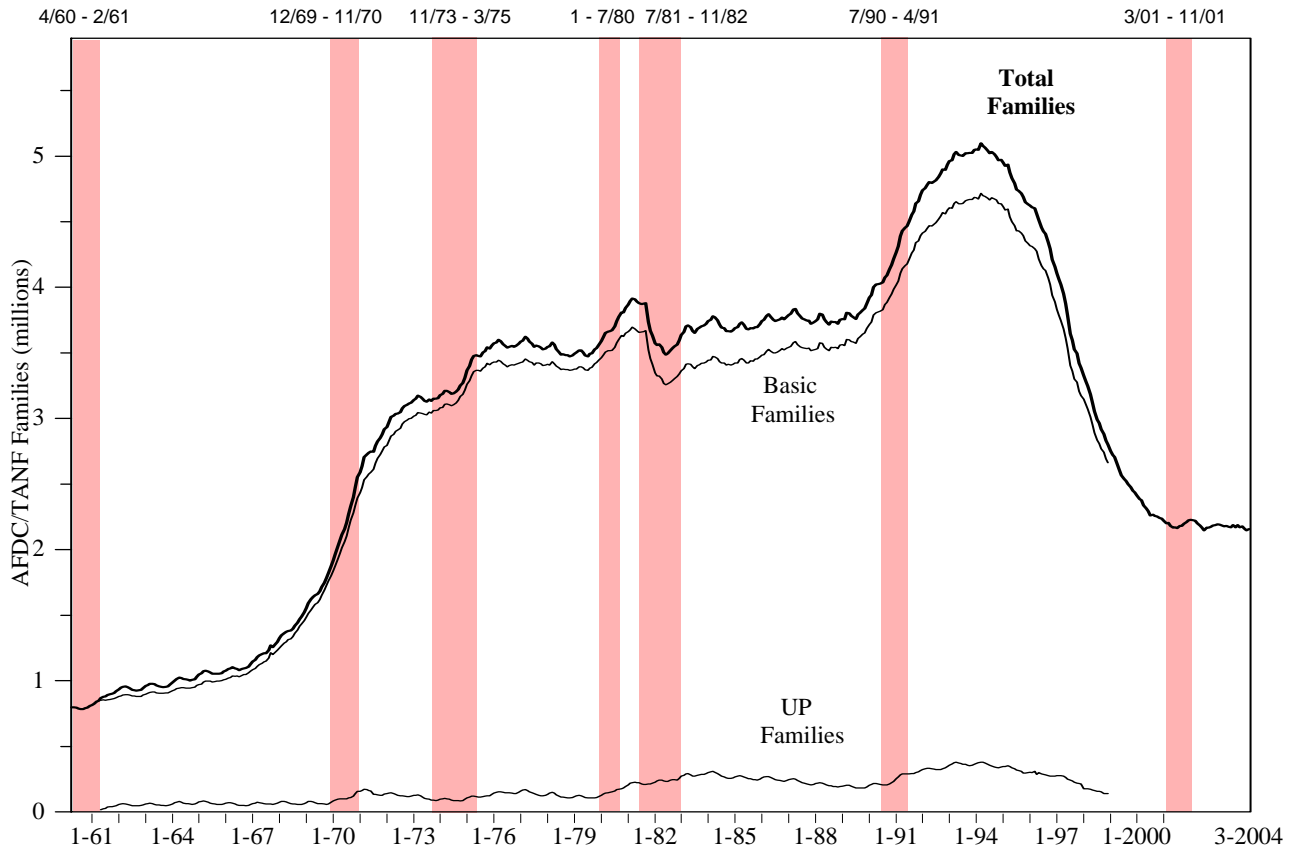
The question of whether the caseload has become more disadvantaged cannot be answered simply through administrative data provided by the states, which do not contain detailed information on such barriers to employment as lack of basic skills, alcohol and drug abuse, domestic violence, and disabilities. A few recent studies have found very high levels of these barriers among the TANF population. These studies also have found that the effects of these barriers are interactive; while any one barrier to employment can often be overcome, the more barriers a recipient faces, the less likely she is to find a job and maintain consistent employment over a period of time.

AFDC/TANF State-by-State Trends (Tables TANF 8 through TANF 17). There is a great deal of state-to-state variation in the trends discussed above. For example, as shown in Table TANF 10, while every state has experienced a caseload decline since 1993, the percentage change between the state's caseload peak and March 2004 ranges from 95 percent (Wyoming) to 28 percent (Indiana). Five states have experienced caseload declines of 75 percent or more. Table TANF 10 also shows that states reached their peak caseloads as early as May 1990 (Louisiana) and as late as June 1997 (Hawaii).

Table TANF 15 shows TANF and Separate State Program (SSP) families and recipients, by state. Tables TANF 16 and 17 use a data source available beginning in 2003, the High

Performance Bonus data, which links TANF administrative records with quarterly earnings records, and allows examination of patterns of TANF receipt and employment. For example, Table TANF 16 shows the range across states in employment rates among TANF recipients (where employment is measured by presence of quarterly earnings in the same calendar quarter as one or more months of TANF recipient or in the immediately subsequent quarter). Table 17 complements the data on program spell duration provided in Table IND 8 in Chapter II, by examining state-by-state variation in the percentage of TANF recipients that receive benefits over the course of one year (four quarters) after a selected calendar quarter.

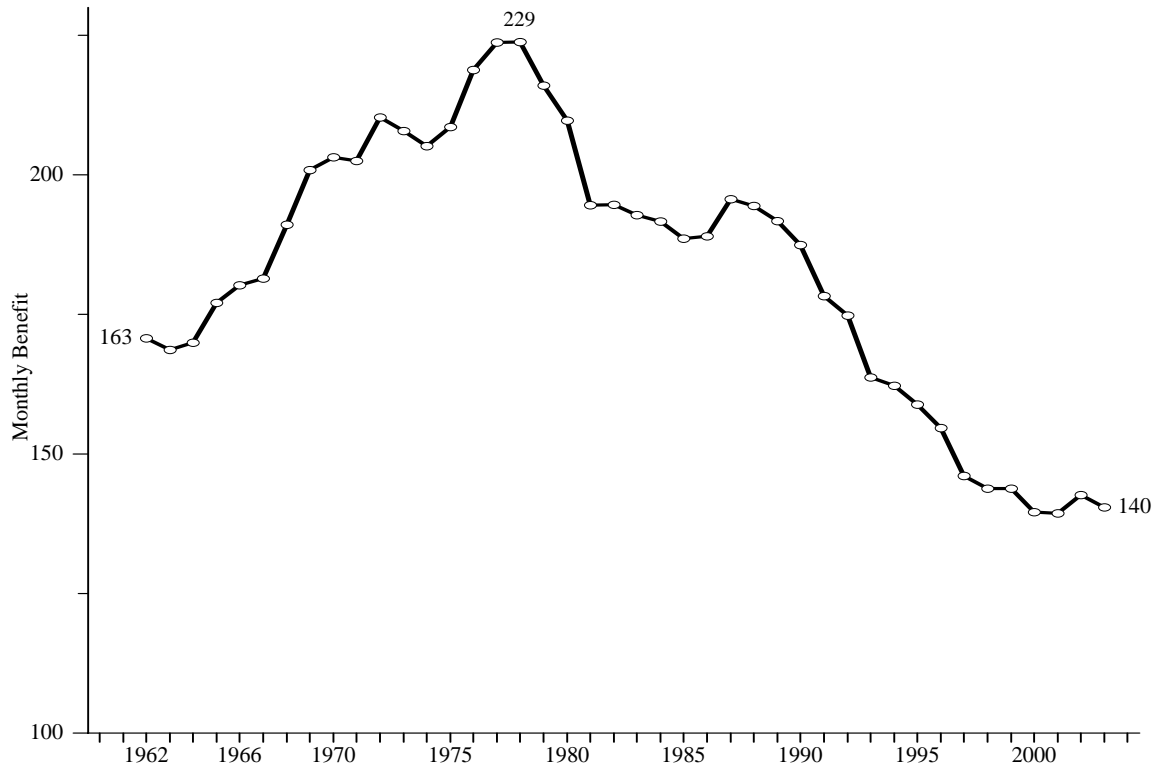
Figure TANF 1. AFDC/TANF Families Receiving Income Assistance



Note: “Basic Families” are single-parent families and “UP Families” are those two-parent cases whose eligibility was due to unemployment and who received benefits under AFDC Unemployed Parent programs that operated in certain states before FY 1991 and in all states after October 1, 1990. The AFDC Basic and UP programs were replaced by TANF in the period from September 1996 to July 1, 1997 under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Shaded areas indicate NBER designated periods of recession from peak to trough. The decrease in number of families receiving assistance during the 1981-82 recession stems from changes in eligibility requirements and other policy changes mandated by OBRA 1981. Beginning in 2000, “Total Families” includes TANF and SSP families. Last data point plotted is March 2004.

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

Figure TANF 2. Average Monthly AFDC/TANF Benefit per Recipient in Constant 2003 Dollars



Note: See Table TANF 6 for underlying data. Comparison of trends in the average monthly AFDC/TANF benefit per recipient in current and constant 2003 dollars with the weighted average maximum benefit in current and constant 2003 dollars since 1988 indicates that the primary cause of the decline in the average monthly benefit has been due to the erosion in the real value of the maximum benefit due to inflation as the current value of maximum benefits was not increased in most states during most of the 1990s.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Quarterly Public Assistance Statistics, 1992 & 1993* plus unpublished data and *Seventh TANF Annual Report to Congress, 2005*.

Table TANF 1. Trends in AFDC/TANF Caseloads: 1962–2003

Fiscal Year	Average Monthly Number (thousands)				Children as a Percent of Total Recipients	Average ¹ Number of Children per Family	
	Total Families ¹	AFDC UP ² Two-Parent Families	TANF Two-Parent Families	Total Recipients			Child Recipients
1962.....	924	48	NA	3,593	2,778	77.3	3.0
1963.....	950	54	NA	3,834	2,896	75.5	3.0
1964.....	984	60	NA	4,059	3,043	75.0	3.1
1965.....	1,037	69	NA	4,323	3,242	75.0	3.1
1966.....	1,074	62	NA	4,472	3,369	75.3	3.1
1967.....	1,141	58	NA	4,718	3,560	75.5	3.1
1968.....	1,310	67	NA	5,349	4,013	75.0	3.1
1969.....	1,539	66	NA	6,146	4,591	74.7	3.0
1970.....	1,906	78	NA	7,415	5,484	74.0	2.9
1971.....	2,531	143	NA	9,557	6,963	72.9	2.8
1972.....	2,918	134	NA	10,632	7,698	72.4	2.6
1973.....	3,123	120	NA	11,038	7,967	72.2	2.6
1974.....	3,170	93	NA	10,845	7,825	72.2	2.5
1975.....	3,357	100	NA	11,067	7,952	71.9	2.4
1976.....	3,575	135	NA	11,386	8,054	70.7	2.3
1977.....	3,593	149	NA	11,130	7,846	70.5	2.2
1978.....	3,539	128	NA	10,672	7,492	70.2	2.1
1979.....	3,496	114	NA	10,318	7,197	69.8	2.1
1980.....	3,642	141	NA	10,597	7,320	69.1	2.0
1981.....	3,871	209	NA	11,160	7,615	68.2	2.0
1982.....	3,569	232	NA	10,431	6,975	66.9	2.0
1983.....	3,651	272	NA	10,659	7,051	66.1	1.9
1984.....	3,725	287	NA	10,866	7,153	65.8	1.9
1985.....	3,692	261	NA	10,813	7,165	66.3	1.9
1986.....	3,748	254	NA	10,997	7,300	66.4	1.9
1987.....	3,784	236	NA	11,065	7,381	66.7	2.0
1988.....	3,748	210	NA	10,920	7,325	67.1	2.0
1989.....	3,771	193	NA	10,934	7,370	67.4	2.0
1990.....	3,974	204	NA	11,460	7,755	67.7	2.0
1991.....	4,374	268	NA	12,592	8,513	67.6	1.9
1992.....	4,768	322	NA	13,625	9,226	67.7	1.9
1993.....	4,981	359	NA	14,143	9,560	67.6	1.9
1994.....	5,046	363	NA	14,226	9,611	67.6	1.9
1995.....	4,871	335	NA	13,660	9,280	67.9	1.9
1996.....	4,543	301	NA	12,645	8,672	68.6	1.9
1997 ²	3,937	256	NA	10,935	7,781 ³	71.2 ³	2.0 ³
1998.....	3,200	NA	162	8,790	6,273	71.4	2.0
1999.....	2,674	NA	125	7,188	5,319	74.0	2.0
2000.....	2,356	NA	132	6,324	4,598	72.7	2.0
2001.....	2,200	NA	119	5,761	4,225	73.3	1.9
2002.....	2,194	NA	118	5,654	4,149	73.0	1.9
2003.....	2,181	NA	116	5,517	4,073	73.8	1.9

Note: Beginning in 2000, all caseload numbers include SSP families.

¹ Includes unemployed parent families and child-only cases.

² The AFDC Unemployed Parent program was replaced when the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed AFDC and set up the Temporary Assistance for Needy Families (TANF) program which was implemented during the period from September 1996 to July 1, 1997.

³ Based on data from the old AFDC reporting system that were available only for the first 9 months of the fiscal year.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, (Available online at <http://www.acf.dhhs.gov/>).

Table TANF 2. Number of AFDC/TANF Recipients, and Recipients as a Percentage of Various Population Groups: 1970–2003

Calendar Year ¹	Total Recipients in the States & DC (thousands)	Child Recipients in the States & DC (thousands)	Recipients as a Percent of Total Population ²	Recipients as a Percent of Poverty Population ³	Recipients as a Percent of Pretransfer Poverty Population ⁴	Child Recipients as a Percent of Total Child Population ²	Child Recipients as a Percent of Children in Poverty ³
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	10,643	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	10,850	7,206	4.5	33.5	46.6	11.5	56.0
1987	10,841	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	10,798	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	9,189	5.3	35.7	50.8	13.8	60.1
1993	14,007	9,460	5.4	35.7	48.5	14.0	60.2
1994	13,970	9,448	5.3	36.7	50.0	13.8	61.8
1995	13,242	9,013	5.0	36.4	50.1	13.0	61.5
1996	12,156	8,355	4.5	33.3	46.4	11.9	57.8
1997	10,224	7,077 ⁵	3.7	28.7	40.7	10.0	50.1
1998	8,215	5,781	3.0	23.8	34.7	8.1	42.9
1999	6,709	4,836	2.4	20.5	30.9	6.7	39.4
2000	6,043	4,399	2.1	19.1	29.7	6.1	38.0
2001	5,633	4,132	2.0	17.1	26.8	5.7	35.3
2002	5,529	4,050	1.9	16.0	25.4	5.6	33.4
2003	5,432	4,004	1.9	15.1	NA	5.5	31.1

¹ Total recipients are calculated here as the monthly average for the calendar year in order to compare with the calendar year counts of the poverty populations used to compute the reciprocity rates. From 2000 onward, total recipients includes SSP recipients as well as TANF recipients. See Table IND 3a for fiscal year reciprocity rates.

² Population numbers used as denominators are resident population. See *Current Population Reports*, Series P25-1106.

³ For poverty population data see *Current Population Reports*, Series P60-226 (Available online at <http://www.census.gov/hhes/www/poverty.html>).

⁴ The pretransfer poverty population used as the 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*; data for subsequent years are unpublished Congressional Budget Office tabulations.

⁵ Estimated based on the ratio of children recipients to total recipients 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, "Income, Poverty, and Health Insurance in the United States: 2003," *Current Population Reports*, Series P60-226, (Available online at <http://www.census.gov/hhes/www/poverty.html>).

Table TANF 3. TANF and Separate State Program (SSP) Families and Recipients: 2000–2003
(thousands)

Fiscal Year	TANF	SSP	Total
	Families		
2000	2,265	91	2,356
2001	2,117	82	2,200
2002	2,065	128	2,194
2003	2,032	149	2,181
	All Recipients		
2000	5,943	380	6,324
2001	5,423	338	5,761
2002	5,149	505	5,654
2003	4,965	551	5,517
	Child Recipients		
2000	4,370	228	4,598
2001	4,023	202	4,225
2002	3,841	308	4,149
2003	3,730	344	4,073

Note: Some states provide cash and other forms of assistance to specific categories of families (e.g., two-parent families) under Separate State Programs (SSPs) which are funded out of Maintenance of Effort (MOE) dollars rather than federal TANF funds. See Table TANF 15 for SSPs by state.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, (available online at <http://www.acf.dhhs.gov/>)

Table TANF 4. Total AFDC/TANF Expenditures on Cash Benefits and Administration: 1970–2003
(millions)

Fiscal Year	Federal Funds (current dollars)		State Funds (current dollars)		Total (current dollars)		Total (constant 2003 dollars ¹)	
	Benefits	Administra- tive	Benefits	Administra- tive	Benefits	Administra- tive	Benefits	Administra- tive
1970	\$2,187	\$572 ²	\$1,895	\$309	\$4,082	\$881 ²	\$18,500	\$3,993
1971	3,008	271	2,469	254	5,477	525	23,764	2,278
1972	3,612	240 ³	2,942	241	6,554	481	27,461	2,015
1973	3,865	313	3,138	296	7,003	610	28,181	2,455
1974	4,071	379	3,300	362	7,371	740	27,320	2,743
1975	4,625	552	3,787	529	8,412	1,082	28,418	3,655
1976	5,258	541	4,418	527	9,676	1,069	30,599	3,381
1977	5,626	595	4,762	583	10,388	1,177	30,579	3,465
1978	5,724	631	4,898	617	10,621	1,248	29,332	3,447
1979	5,825	683	4,954	668	10,779	1,350	27,374	3,428
1980	6,448	750	5,508	729	11,956	1,479	27,296	3,377
1981	6,928	835	5,917	814	12,845	1,648	26,666	3,421
1982	6,922	878	5,934	878	12,857	1,756	24,938	3,406
1983	7,332	915	6,275	915	13,607	1,830	25,243	3,395
1984	7,707	876	6,664	822	14,371	1,698	25,572	3,021
1985	7,817	890	6,763	889	14,580	1,779	25,043	3,056
1986	8,239	993	6,996	967	15,235	1,960	25,522	3,283
1987	8,914	1,081	7,409	1,052	16,323	2,133	26,590	3,475
1988	9,125	1,194	7,538	1,159	16,663	2,353	26,077	3,682
1989	9,433	1,211	7,807	1,206	17,240	2,417	25,748	3,610
1990	10,149	1,358	8,390	1,303	18,539	2,661	26,375	3,786
1991	11,165	1,373	9,191	1,300	20,356	2,673	27,568	3,620
1992	12,258	1,459	9,993	1,378	22,250	2,837	29,246	3,729
1993	12,270	1,518	10,016	1,438	22,286	2,956	28,436	3,772
1994	12,512	1,680	10,285	1,621	22,797	3,301	28,337	4,103
1995	12,019	1,770	10,014	1,751	22,032	3,521	26,645	4,259
1996	11,065	1,633	9,346	1,633	20,411	3,266	24,018	3,843
1997 ⁴	9,748	1,273	7,799	1,098	17,547	2,371	20,105	2,716
1998	7,518	1,231	7,096	1,028	14,614	2,259	16,476	2,547
1999	6,475	1,407	6,975	884	13,449	2,291	14,880	2,534
2000	5,444	1,570	5,736	1,032	11,180	2,302	11,986	2,789
2001	4,772	1,598	5,390	1,042	10,163	2,639	10,555	2,741
2002 ³	4,554	1,633	4,854	983	9,408	2,617	9,629	2,678
2003 ³	5,820	1,592	4,398	859	10,219	2,451	10,219	2,451

Note: Benefits do not include emergency assistance payments and have not been reduced by child support collections. Foster care payments are included from 1971 to 1980. State funds for benefits include benefits under Separate State Programs. Beginning in fiscal year 1984, the cost of certifying AFDC households for food stamps is shown in the Food Stamp Program's appropriation under the U.S. Department of Agriculture. Administrative and systems costs include: Work Program, ADP, FAMIS, Fraud Control, Child Care administration (through 1996), SAVE and other State and local administrative expenditures.

¹ Constant dollar adjustments to 2003 level were made using a CPI-U-X1 fiscal year price index.

² Includes expenditures for services.

³ These year-to-year changes likely reflect the fact that States now report corrections from prior years in the current year.

⁴ The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed the AFDC program and replaced it with the Temporary Assistance for Needy Families (TANF) program. Under PRWORA, spending categories are not entirely equivalent to those under AFDC: for example administrative expenses under TANF do not include IV-A child care administration (which accounted for 4 percent of 1996 administrative expense).

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Financial Services.

**Table TANF 5. Federal and State TANF Program and Other Related Spending
Fiscal Years 1997–2003**

(millions)

	Cash & Work-Based Assistance	Work Activities	Child Care	Trans- portation	Adminis- tration	Systems	Transitional Services	Other ¹ Expenditures	Total Expenditures
Federal TANF Grants									
1997	\$7,708	\$467	\$14	–	\$872	\$109	\$0	\$862	\$10,032
1998	7,168	763	252	–	938	224	6	1,136	10,487
1999	6,475	1,225	604	–	1,070	337	17	1,595	11,323
2000	5,444	1,606	1,553	496	1,328	242	–	2,715	13,384
2001	4,772	1,983	1,583	522	1,375	223	–	4,325	14,782
2002	4,554	2,121	1,572	339	1,339	294	–	4,368	14,588
2003	5,520	1,937	1,698	434	1,307	285	–	4,772	16,254
State Maintenance of Effort Expenditures in the TANF Program									
1997	5,955	311	752	–	704	101	9	926	8,758
1998	6,879	520	890	–	883	138	11	1,301	10,623
1999	6,541	503	1,135	–	743	118	23	1,334	10,397
2000	5,432	884	1,893	150	921	92	–	1,170	10,541
2001	4,887	685	1,730	113	920	83	–	1,195	9,613
2002	3,994	582	1,860	221	877	66	–	1,554	9,154
2003	3,597	596	1,993	73	766	60	–	1,441	8,526
State Maintenance of Effort Expenditures in Separate State Programs									
1997	69	12	111	–	0	0	–	18	210
1998	216	3	137	–	6	1	–	28	391
1999	434	26	257	–	22	0	0	126	865
2000	305	11	73	17	19	0	–	431	856
2001	503	28	34	20	38	1	–	499	1,125
2002	860	24	72	24	41	-5	–	652	1,673
2003	801	66	-223	36	33	-3	–	848	1,560
Total Expenditures									
1997	13,731	790	877	–	1,577	211	9	1,805	19,000
1998	14,264	1,286	1,280	–	1,828	362	17	2,465	21,502
1999	13,449	1,754	1,995	–	1,835	456	40	3,055	22,585
2000	11,180	2,501	3,519	663	2,267	335	–	4,316	24,781
2001	10,163	2,696	3,347	655	2,333	306	–	6,019	25,520
2002	9,408	2,727	3,504	584	2,258	359	–	6,574	25,414
2003	10,219	2,599	3,468	543	2,106	345	–	7,060	26,340

¹ Other includes accounts for: Assistance under Prior Law, Individual Development Accounts, Refundable EITC, Other Refundable Tax Credits, Non-Recurring Short-Term Benefits, Non-Assistance under Prior Law, Pregnancy Prevention, 2-Parent Formation, and Miscellaneous.

Note: Administration and Systems, shown separately here in Table TANF 5, can be combined to show total administrative costs, as in Table TANF 4. Negative numbers are possible since under TANF States now report corrections from prior years in the current year.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Financial Services.

Table TANF 6. Trends in AFDC/TANF Average Monthly Payments: 1962–2003

Fiscal Year	Monthly Benefit per Recipient		Average Number of Persons per Family	Monthly Benefit per Family (not reduced by child support)		Weighted Average ¹ Maximum Benefit (per 3-person family)	
	Current Dollars	2003 Dollars		Current Dollars	2003 Dollars	Current Dollars	2003 Dollars
	1962	\$31		\$175	3.9	\$121	\$680
1963	31	173	4.0	126	696	NA	NA
1964	32	174	4.1	131	718	NA	NA
1965	34	181	4.2	140	755	NA	NA
1966	35	184	4.2	146	768	NA	NA
1967	36	186	4.1	150	768	NA	NA
1968	40	196	4.1	162	800	NA	NA
1969	43	206	4.0	173	821	\$186 ²	\$887
1970	46	208	3.9	178	808	194 ²	881
1971	48	207	3.8	180	782	201 ²	872
1972	51	215	3.6	187	784	205 ²	860
1973	53	213	3.5	187	752	213 ²	856
1974	57	210	3.4	194	718	229 ²	848
1975	63	213	3.3	209	705	243	821
1976	71	224	3.2	226	713	257	812
1977	78	229	3.1	241	709	271	798
1978	83	229	3.0	250	691	284	785
1979	87	221	3.0	257	653	301	764
1980	94	215	2.9	274	625	320	731
1981	96	199	2.9	277	574	326	676
1982	103	199	2.9	300	582	331	641
1983	106	197	2.9	311	576	336	624
1984	110	196	2.9	322	572	352	626
1985	112	193	2.9	329	565	369	634
1986	115	193	2.9	339	568	383	642
1987	123	200	2.9	359	586	393	641
1988	127	199	2.9	370	580	403	631
1989	131	196	2.9	381	569	413	617
1990	135	192	2.9	389	553	420	597
1991	135	182	2.9	388	525	424	575
1992	136	179	2.9	389	511	419	550
1993	131	168	2.8	373	476	414	529
1994	134	166	2.8	376	468	416	516
1995	134	163	2.8	376	455	418	506
1996	135	158	2.8	374	441	419	493
1997 ³	130	149	2.8	362	415	418	479
1998	130	147	2.7	358	404	429	484
1999	133	147	2.7	357	395	450	498
2000	133	143	2.6	349	374	446	478
2001	137	142	2.6	351	365	448	465
2002	146	149	2.5	364	372	452	463
2003	140	140	2.5	354	354	449	449

Note: AFDC benefit amounts have not been reduced by child support collections. Constant dollar adjustments to 2003 level were made using a CPI-U-X1 fiscal-year price index. See the note to Figure TANF 2 for explanation of the decline in real benefits.

¹ The maximum benefit for a 3-person family in each state is weighted by that state's share of total AFDC families.

² Estimated based on the weighted average benefit for a 4-person family.

³ The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed the AFDC program as of July 1, 1997 and replaced it with the Temporary Assistance for Needy Families (TANF) program. Beginning in 1997, average monthly benefits are calculated from case-level data rather than by dividing aggregate expenditures on cash assistance by aggregate caseloads, as in the past. This change was necessary due to uncertainty about the extent to which states may be reporting non-cash basic assistance as well as cash assistance in the expenditure data formerly used to calculate average cash benefits.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Quarterly Public Assistance Statistics, 1992 & 1993* and earlier years along with unpublished data.

Table TANF 7. Characteristics of AFDC/TANF Families: Selected Years 1969–2003

	May	May	March	Fiscal Year ¹						
	1969	1975	1979	1983	1988	1992	1996	2000	2002	2003
Avg. Family Size (persons)	4.0	3.2	3.0	3.0	3.0	2.9	2.8	2.6	2.5	2.5
Number of Child Recipients										
One	26.6	37.9	42.3	43.4	42.5	42.5	43.9	44.2	47.0	47.9
Two	23.0	26.0	28.1	29.8	30.2	30.2	29.9	28.4	28.0	27.8
Three	17.7	16.1	15.6	15.2	15.8	15.5	15.0	15.3	14.2	13.8
Four or More	32.5	20.0	13.9	10.1	9.9	10.1	9.2	10.1	8.9	8.6
Unknown	NA	NA	NA	1.5	1.7	0.7	1.3	2.0	1.9	1.9
Families with No Adult in Asst. Unit	10.1	12.5	14.6	8.3	9.6	14.8	21.5	34.5	39.0	40.9
Child-Only Families ²	–	–	–	–	–	–	–	32.7	36.6	38.0
Families with Non-Recipients	33.1	34.8	NA	36.9	36.8	38.9	49.9	–	–	–
Median Months on AFDC/TANF										
Since Most Recent Opening	23.0	31.0	29.0	26.0	26.3	22.5	23.6	–	–	–
Presence of Assistance										
Living in Public Housing	12.8	14.6	NA	10.0	9.6	9.2	8.8	17.7	19.2	19.1
Participating in Food Stamp or Donated Food Program	52.9	75.1	75.1	83.0	84.6	87.3	89.3	79.9	80.1	80.9
Presence of Income³										
With Earnings	NA	14.6	12.8	5.7	8.4	7.4	11.1	23.6	21.8	19.5
No Non-AFDC/TANF Income	56.0	71.1	80.6	86.8	79.6	78.9	76.0	71.6	72.8	74.4
Adult Employment Status (percent of adults)										
Employed	–	–	14.0	5.5	6.8	6.6	11.3	26.4	25.3	22.9
Unemployed	–	–	–	–	–	–	–	49.2	47.2	49.0
Not in Labor Force	–	–	–	–	–	–	–	24.3	27.5	28.1
Adult Women's Employment Status (percent of adult female recipients)⁴										
Full-Time Job	8.2	10.4	8.7	1.5	2.2	2.2	4.7	–	–	–
Part-Time Job	6.3	5.7	5.4	3.4	4.2	4.2	5.4	–	–	–
Marital Status (percent of adults)										
Single	–	–	–	–	–	–	–	65.3	66.6	67.3
Married	–	–	–	–	–	–	–	12.4	11.5	10.7
Separated	–	–	–	–	–	–	–	13.1	13.0	12.8
Widowed	–	–	–	–	–	–	–	0.7	0.7	0.5
Divorced	–	–	–	–	–	–	–	8.5	8.2	8.7
Basis for Child's Eligibility (percent of children)										
Incapacitated	11.7 ⁵	7.7	5.3	3.4	3.7	4.1	4.3	–	–	–
Unemployed	4.6 ⁵	3.7	4.1	8.7	6.5	8.2	8.3	–	–	–
Death	5.5 ⁵	3.7	2.2	1.8	1.8	1.6	1.6	–	–	–
Divorce or Separation	43.3 ⁵	48.3	44.7	38.5	34.6	30.0	24.3	–	–	–
Absent, No Marriage Tie	27.9 ⁵	31.0	37.8	44.3	51.9	53.1	58.6	–	–	–
Absent, Other Reason	3.5 ⁵	4.0	5.9	1.4	1.6	2.0	2.4	–	–	–
Unknown	–	–	–	1.7	–	0.9	0.6	–	–	–

Note: Figures are percentages of families/cases unless noted otherwise.

¹ Percentages are based on the average monthly caseload during the year. Hawaii and the territories are not included in 1983.

Data after 1986 include the territories and Hawaii.

² In this table, child-only families are those families with no adult in the assistance unit excluding those where there is no adult in the assistance unit as a result of the parent being sanctioned for non-compliance.

³ Percentages on presence of income are measured as a percentage of families through 1997 and for adult recipients in 1998 and subsequent years.

⁴ For years prior to 1983, data are for mothers only.

⁵ Calculated on the basis of total number of families.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Characteristics and Financial Circumstances of TANF Recipients: 2003 TANF Annual Report to Congress* and earlier years.

Table TANF 8. AFDC/TANF Benefits, by State: Selected Fiscal Years 1978–2003

	(millions)									
	1978	1984	1986	1988	1990	1994	1998	2000	2002	2003
Alabama	\$78	\$74	\$68	\$62	\$62	\$92	\$44	\$36	\$33	\$46
Alaska	17	37	46	54	60	113	77	55	55	50
Arizona	30	67	79	103	138	266	145	107	130	175
Arkansas	51	39	48	53	57	57	26	34	26	22
California	1,813	3,207	3,574	4,091	4,955	6,088	4,128	3,643	2,608	3,119
Colorado	74	107	107	125	137	158	80	48	53	51
Connecticut	168	226	223	218	295	397	305	166	128	133
Delaware	28	28	25	24	29	40	24	20	19	20
Dist. of Columbia	91	75	77	76	84	126	97	72	67	68
Florida	145	251	261	318	418	806	357	234	256	251
Georgia	103	149	223	266	321	428	313	180	109	169
Guam	3	5	4	3	5	12	NA	NA	NA	NA
Hawaii	83	83	73	77	99	163	153	141	85	91
Idaho	21	21	19	19	20	30	6	3	5	6
Illinois	699	845	886	815	839	914	771	269	146	115
Indiana	118	153	148	167	170	228	104	87	146	139
Iowa	107	159	170	155	152	169	104	79	76	81
Kansas	73	87	91	97	105	123	41	43	50	55
Kentucky	122	135	104	143	179	198	147	104	101	102
Louisiana	97	145	162	182	188	168	103	58	67	67
Maine	51	69	84	80	101	108	80	73	66	66
Maryland	166	229	250	250	296	314	192	196	227	32
Massachusetts	476	406	471	558	630	730	442	336	279	339
Michigan	780	1,214	1,248	1,231	1,211	1,132	589	386	326	390
Minnesota	164	287	322	338	355	379	276	193	184	193
Mississippi	33	58	74	85	86	82	60	18	37	36
Missouri	152	196	209	215	228	287	180	139	148	130
Nebraska	15	27	37	41	40	49	30	21	31	31
Nevada	38	56	62	56	59	62	41	41	52	59
Nevada	8	10	16	20	27	48	39	28	48	48
New Hampshire	21	16	20	21	32	62	39	32	29	39
New Jersey	489	485	509	459	451	531	372	222	194	222
New Mexico	32	49	51	56	61	144	104	113	82	78
New York	1,689	1,916	2,099	2,140	2,259	2,913	2,149	1,554	1,465	1,605
North Carolina	138	149	138	206	247	353	211	140	139	133
North Dakota	14	16	20	22	24	26	22	12	10	18
Ohio	441	725	804	805	877	1,016	546	368	336	304
Oklahoma	74	85	100	119	132	165	72	78	45	58
Oregon	148	101	120	128	145	197	141	34	69	82
Pennsylvania	726	724	389	747	798	935	523	573	338	324
Puerto Rico	25	38	33	67	72	74	NA	NA	NA	NA
Rhode Island	59	71	79	82	99	136	117	105	89	83
South Carolina	52	75	103	91	96	115	52	91	35	49
South Dakota	18	17	15	21	22	25	14	10	11	11
Tennessee	77	83	100	125	168	215	108	146	132	138
Texas	122	229	281	344	416	544	315	248	203	323
Utah	41	52	55	61	64	77	50	40	41	44
Vermont	21	40	40	40	48	65	47	39	38	34
Virgin Islands	2	2	2	2	3	4	NA	NA	NA	NA
Virginia	136	165	179	169	177	253	123	186	101	129
Washington	175	294	375	401	438	610	450	312	295	269
West Virginia	53	75	109	107	110	126	52	49	71	68
Wisconsin	260	519	444	506	440	425	145	7	126	109
Wyoming	6	13	16	19	19	21	7	9	2	15
United States	\$10,621	\$14,371	\$15,236	\$16,663	\$18,543	\$22,798	\$14,614	\$11,180	\$9,408	\$10,219

Note: Benefits refers to total cash benefits paid, (see Table TANF 4) but does not include emergency assistance payments. NA denotes data not available. See footnote 3 of Table TANF 4 for an explanation of the recent changes in benefit expenditures.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Program Support, Office of Management Services, data from the ACF-196 TANF Report and ACF-231 AFDC Line by Line Report.

Table TANF 9. Comparison of Federal Funding for AFDC and Related Programs and 2003 Family Assistance Grants Awarded under PRWORA

(millions)

State	FY 1996 Grants for AFDC, EA & JOBS ¹	FY 2003 Family Assistance Grants & Supplemental ²	FY 2003 Bonus Awards ³	FY 2003 Total Awards	Increase of FY 2003 over FY 1996 Level	Percent Increase from FY 1996 Level
Alabama	\$79.0	\$104.4	0.5	\$104.9	\$25.9	33
Alaska	60.7	60.3	6.3	66.6	6.0	10
Arizona	200.6	226.1	1.2	227.3	26.7	13
Arkansas	54.3	63.0	5.7	68.6	14.3	26
California	3,545.6	3,687.7	21.0	3,708.7	163.1	5
Colorado	138.9	149.6	19.8	169.4	30.5	22
Connecticut	221.1	266.8	11.7	278.5	57.5	26
Delaware	30.2	32.3	1.2	33.5	3.3	11
Dist. of Columbia	77.1	92.6	24.6	117.2	40.1	52
Florida	504.7	622.7	38.1	660.8	156.1	31
Georgia	301.2	368.0	4.4	372.4	71.2	24
Hawaii	98.4	98.9	0.9	99.8	1.4	1
Idaho	31.3	33.9	2.1	36.0	4.7	15
Illinois	593.8	585.1	0.0	585.1	-8.8	-1
Indiana	121.4	206.8	19.4	226.2	104.9	86
Iowa	129.3	131.5	7.2	138.7	9.4	7
Kansas	86.9	101.9	10.2	112.1	25.2	29
Kentucky	171.6	181.3	14.5	195.8	24.1	14
Louisiana	122.4	181.0	3.8	184.8	62.4	51
Maine	73.2	78.1	4.3	82.4	9.2	13
Maryland	207.6	229.1	21.4	250.5	42.9	21
Massachusetts	372.0	459.4	2.2	461.6	89.5	24
Michigan	581.5	775.4	22.0	797.3	215.8	37
Minnesota	239.3	267.2	13.4	280.6	41.2	17
Mississippi	68.6	95.8	0.8	96.6	28.0	41
Missouri	207.9	217.1	21.7	238.8	30.9	15
Montana	39.2	43.7	4.4	48.0	8.9	23
Nebraska	56.2	57.7	5.8	63.6	7.4	13
Nevada	41.2	47.7	2.0	49.7	8.5	21
New Hampshire	36.0	38.5	2.7	41.2	5.2	14
New Jersey	353.4	404.0	4.3	408.3	54.9	16
New Mexico	129.9	117.2	5.4	122.5	-7.4	-6
New York	2,332.7	2,442.9	23.1	2,466.0	133.3	6
North Carolina	311.9	338.3	3.5	341.8	29.9	10
North Dakota	24.5	26.4	1.3	27.7	3.2	13
Ohio	564.5	728.0	21.4	749.4	184.9	33
Oklahoma	125.1	147.6	6.5	154.1	29.0	23
Oregon	146.4	166.8	6.0	172.9	26.4	18
Pennsylvania	780.1	719.5	31.7	751.2	-29.0	-4
Rhode Island	82.9	95.0	2.9	97.9	15.0	18
South Carolina	99.4	100.0	1.6	101.5	2.1	2
South Dakota	19.7	21.3	1.6	22.9	3.1	16
Tennessee	178.9	213.1	11.2	224.3	45.3	25
Texas	437.1	539.0	27.6	566.5	129.4	30
Utah	68.0	84.3	6.0	90.3	22.3	33
Vermont	42.4	47.4	1.3	48.6	6.3	15
Virginia	134.6	158.3	15.8	174.1	39.5	29
Washington	393.2	388.7	12.6	401.3	8.1	2
West Virginia	95.1	110.2	2.8	113.0	17.9	19
Wisconsin	241.6	315.1	11.5	326.5	85.0	35
Wyoming	14.4	18.5	20.2	38.7	24.3	169
United States	\$15,067	\$16,685	\$511	\$17,196	\$2,129	14

¹ Includes Administration and FAMIS but excludes IV-A child care. AFDC benefits include the Federal share of child support collections to be comparable to the Family Assistance Grant. The 1996 figures have been revised since earlier versions of this report, to reflect upward revisions in states' reports of expenditures on the JOBS program.

² The FY 2003 Family Assistance Grants and Supplemental is net of the Tribal Grants amounts.

³ The FY 2003 Bonus Awards include Out of Wedlock Bonus and High Performance Bonus.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Financial Services

Table TANF 10. Peak AFDC/TANF Caseload, by State: October 1989 to March 2004
(thousands)

State	Peak Caseload Oct '89 to Mar '04	Date Peak Occurred Oct '89 to Mar '04	Sept '96 AFDC Caseload	Mar '04 TANF & SSP Caseload	Percent Decline ¹ Sept '96 to Mar '04	Percent Decline Peak to Mar '04
Alabama	52.3	Mar-93	40.7	19.2	53	63
Alaska	13.4	Apr-94	12.3	5.2	57	61
Arizona	72.8	Dec-93	61.8	50.0	19	31
Arkansas	27.1	Mar-92	22.1	10.1	54	63
California	933.1	Mar-95	870.3	503.8	42	46
Colorado	43.7	Dec-93	33.6	14.8	56	66
Connecticut	61.9	Mar-95	57.1	25.1	56	60
Delaware	11.8	Apr-94	10.5	5.7	46	52
Dist. of Columbia	27.5	Apr-94	25.1	17.5	30	36
Florida	259.9	Nov-92	200.3	57.5	71	78
Georgia	142.8	Nov-93	120.9	54.2	55	62
Hawaii	23.4	Jun-97	21.9	12.2	44	48
Idaho	9.5	Mar-95	8.4	2.0	77	79
Illinois	243.1	Aug-94	217.8	36.2	83	85
Indiana	76.1	Sep-93	49.7	54.5	-10	28
Iowa	40.7	Apr-94	31.1	23.0	26	43
Kansas	30.8	Aug-93	23.4	16.7	28	46
Kentucky	84.0	Mar-93	70.4	35.8	49	57
Louisiana	94.7	May-90	66.5	18.1	73	81
Maine	24.4	Aug-93	19.7	11.1	44	54
Maryland	81.8	May-95	68.9	28.3	59	65
Massachusetts	115.7	Aug-93	84.3	49.1	42	58
Michigan	233.6	Apr-91	167.5	80.3	52	66
Minnesota	66.2	Jun-92	57.2	39.5	31	40
Mississippi	61.8	Nov-91	45.2	18.6	59	70
Missouri	93.7	Mar-94	79.1	41.5	48	56
Montana	12.3	Mar-94	9.8	5.4	45	56
Nebraska	17.2	Mar-93	14.4	11.4	21	34
Nevada	16.3	Mar-95	13.2	9.6	28	41
New Hampshire	11.8	Apr-94	8.9	6.3	29	46
New Jersey	132.6	Nov-92	100.8	46.4	54	65
New Mexico	34.9	Nov-94	33.0	17.6	47	49
New York	463.7	Dec-94	412.7	200.1	52	57
North Carolina	134.1	Mar-94	107.5	37.3	65	72
North Dakota	6.6	Apr-93	4.7	3.1	35	54
Ohio	269.8	Mar-92	201.9	84.9	58	69
Oklahoma	51.3	Mar-93	35.3	13.9	61	73
Oregon	43.8	Apr-93	28.5	18.4	36	58
Pennsylvania	212.5	Sep-94	180.1	87.1	52	59
Puerto Rico	61.7	Jan-92	49.5	17.6	64	71
Rhode Island	22.9	Apr-94	20.5	14.5	29	37
South Carolina	54.6	Jan-93	42.9	17.3	60	68
South Dakota	7.4	Apr-93	5.7	2.7	52	63
Tennessee	112.6	Nov-93	96.2	73.6	24	35
Texas	287.5	Dec-93	238.8	107.4	55	63
Utah	18.7	Mar-93	14.0	9.2	34	51
Vermont	10.3	Apr-92	8.7	5.3	39	48
Virgin Islands	1.4	Dec-95	1.3	0.6	59	61
Virginia	76.0	Apr-94	60.5	35.3	42	54
Washington	104.8	Feb-95	96.8	59.0	39	44
West Virginia	41.9	Apr-93	37.6	16.6	56	60
Wisconsin	82.9	Jan-92	49.9	23.1	54	72
Wyoming	7.1	Aug-92	4.3	0.4	92	95
United States	5,098	Mar-94	4,346	2,157	50	58

¹Negative values denote percent increase.

Note: these data do not include Tribal TANF families (about 8,000 in number). This makes little difference nationally, but in States like Wyoming, New Mexico and Arizona, their exclusion under TANF overstates the real decline from AFDC years.

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

Table TANF 11. Average Monthly AFDC/TANF Recipients, by State: Selected Fiscal Years

(thousands)

	1965	1970	1980	1990	1994	1996	2000	2003	Percent Change	
									1990-96	1996-03
Alabama	78	123	180	130	132	105	46	46	-19	-57
Alaska	5	8	15	20	38	36	22	15	79	-58
Arizona	40	51	51	124	201	172	87	113	38	-34
Arkansas	30	45	85	71	69	58	29	25	-19	-56
California	528	1,148	1,387	1,902	2,639	2,626	1,574	1,303	38	-50
Colorado	42	66	77	102	119	99	29	35	-4	-64
Connecticut	59	83	139	120	166	162	73	56	35	-65
Delaware	12	20	32	21	27	23	13	13	10	-43
Dist. of Columbia	20	40	85	49	74	70	47	43	44	-38
Florida	106	204	256	370	669	561	158	128	52	-77
Georgia	71	198	221	293	393	353	129	136	20	-61
Guam	1	2	5	4	7	8	10	11	91	37
Hawaii	14	25	60	44	62	67	75	41	52	-38
Idaho	10	16	21	17	23	23	2	3	38	-86
Illinois	262	368	672	636	712	655	256	99	3	-85
Indiana	48	73	157	154	216	148	103	155	-4	5
Iowa	44	64	104	98	110	89	54	54	-9	-39
Kansas	36	53	68	77	87	68	32	40	-11	-42
Kentucky	81	129	167	175	208	175	89	77	-0	-56
Louisiana	104	202	213	282	248	236	75	58	-16	-75
Maine	19	36	60	56	64	56	32	32	-0	-42
Maryland	80	131	212	186	222	204	77	71	10	-65
Massachusetts	94	208	350	263	307	237	102	109	-10	-54
Michigan	162	253	685	655	666	527	207	201	-20	-62
Minnesota	51	76	135	171	187	171	116	117	0	-32
Mississippi	83	115	173	179	159	129	34	46	-28	-65
Missouri	107	140	199	211	263	232	131	121	10	-48
Montana	7	13	19	29	35	31	13	17	8	-45
Nebraska	16	30	35	43	45	40	28	31	-7	-21
Nevada	5	12	12	23	38	38	16	28	66	-25
New Hampshire	4	9	22	16	30	24	14	15	48	-39
New Jersey	104	286	459	309	335	288	138	110	-7	-62
New Mexico	30	51	53	57	102	101	72	44	77	-56
New York	517	1,052	1,100	981	1,255	1,184	724	501	21	-58
North Carolina	111	124	198	223	333	278	100	84	24	-70
North Dakota	8	11	13	16	16	13	8	9	-14	-35
Ohio	183	266	513	632	685	546	245	188	-14	-66
Oklahoma	73	95	89	112	131	105	36	37	-6	-65
Oregon	31	75	102	89	114	87	39	43	-2	-51
Pennsylvania	303	426	629	521	620	544	250	210	4	-61
Puerto Rico	202	223	168	190	183	155	92	54	-18	-65
Rhode Island	24	38	52	46	63	58	50	41	27	-30
South Carolina	30	52	153	111	140	119	41	51	7	-58
South Dakota	11	16	20	19	19	16	7	6	-14	-61
Tennessee	76	129	162	211	300	260	147	186	23	-29
Texas	91	214	308	611	788	684	342	363	12	-47
Utah	22	33	37	45	50	40	23	22	-11	-46
Vermont	5	12	23	22	28	25	16	14	15	-46
Virgin Islands	1	2	3	3	4	5	3	1	55	-71
Virginia	46	87	166	151	195	162	75	75	7	-54
Washington	71	109	154	228	292	274	168	149	20	-46
West Virginia	116	93	77	111	114	95	32	41	-14	-57
Wisconsin	45	79	213	237	226	170	40	50	-28	-70
Wyoming	4	5	7	14	16	13	1	1	-9	-94
United States	4,323	7,415	10,597	11,460	14,226	12,645	6,324	5,517	10	-56

Note: Recipients in 2000 and beyond include both TANF and SSP recipients but do not include Tribal TANF recipients.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, 2003 TANF Report to Congress.

Table TANF 12. AFDC/TANF Reciprocity Rates for Total Population, by State: Selected Fiscal Years
(percent)

	1965	1970	1980	1990	1994	1996	2000	2003	Percent Change	
									1990-96	1996-03
Alabama	2.2	3.6	4.6	3.2	3.1	2.4	1.0	1.0	-24	-58
Alaska	1.8	2.6	3.7	3.7	6.3	5.9	3.6	2.3	63	-61
Arizona	2.6	2.9	1.9	3.4	4.7	3.7	1.7	2.0	11	-46
Arkansas	1.5	2.3	3.7	3.0	2.8	2.3	1.1	0.9	-25	-59
California	2.9	5.7	5.8	6.3	8.4	8.2	4.6	3.7	29	-55
Colorado	2.2	3.0	2.6	3.1	3.2	2.5	0.7	0.8	-19	-69
Connecticut	2.1	2.7	4.5	3.6	5.0	4.8	2.1	1.6	33	-67
Delaware	2.4	3.6	5.4	3.2	3.8	3.2	1.7	1.6	-0	-48
Dist. of Columbia	2.5	5.3	13.3	8.1	12.6	12.3	8.2	7.7	52	-37
Florida	1.8	3.0	2.6	2.8	4.7	3.8	1.0	0.8	33	-80
Georgia	1.6	4.3	4.0	4.5	5.5	4.7	1.6	1.6	4	-67
Hawaii	1.9	3.2	6.2	3.9	5.2	5.5	6.1	3.3	40	-41
Idaho	1.4	2.2	2.2	1.6	2.0	1.9	0.2	0.2	16	-88
Illinois	2.5	3.3	5.9	5.6	6.0	5.4	2.1	0.8	-2	-86
Indiana	1.0	1.4	2.9	2.8	3.7	2.5	1.7	2.5	-9	-0
Iowa	1.6	2.3	3.6	3.5	3.9	3.1	1.9	1.8	-12	-40
Kansas	1.6	2.4	2.9	3.1	3.4	2.6	1.2	1.5	-16	-44
Kentucky	2.5	4.0	4.6	4.7	5.4	4.5	2.2	1.9	-6	-58
Louisiana	2.9	5.6	5.0	6.7	5.7	5.4	1.7	1.3	-20	-76
Maine	1.9	3.6	5.4	4.5	5.2	4.5	2.5	2.5	-2	-45
Maryland	2.2	3.3	5.0	3.9	4.4	4.0	1.5	1.3	3	-68
Massachusetts	1.8	3.7	6.1	4.4	5.0	3.8	1.6	1.7	-12	-56
Michigan	2.0	2.9	7.4	7.0	6.9	5.4	2.1	2.0	-23	-63
Minnesota	1.4	2.0	3.3	3.9	4.1	3.6	2.3	2.3	-7	-36
Mississippi	3.6	5.2	6.9	6.9	5.9	4.7	1.2	1.6	-32	-66
Missouri	2.4	3.0	4.0	4.1	4.9	4.3	2.3	2.1	4	-50
Montana	1.0	1.9	2.4	3.6	4.0	3.5	1.4	1.9	-3	-46
Nebraska	1.1	2.0	2.2	2.7	2.8	2.4	1.6	1.8	-12	-24
Nevada	1.2	2.4	1.5	1.9	2.5	2.3	0.8	1.3	22	-44
New Hampshire	0.7	1.2	2.4	1.5	2.7	2.1	1.1	1.2	40	-44
New Jersey	1.5	4.0	6.2	4.0	4.2	3.5	1.6	1.3	-11	-64
New Mexico	3.0	5.0	4.1	3.8	6.1	5.8	4.0	2.4	53	-59
New York	2.9	5.8	6.3	5.4	6.8	6.4	3.8	2.6	17	-59
North Carolina	2.2	2.4	3.4	3.4	4.6	3.7	1.2	1.0	10	-73
North Dakota	1.2	1.7	2.0	2.4	2.6	2.1	1.2	1.4	-15	-34
Ohio	1.8	2.5	4.8	5.8	6.1	4.9	2.2	1.6	-17	-66
Oklahoma	3.0	3.7	2.9	3.6	4.0	3.1	1.0	1.0	-12	-67
Oregon	1.6	3.6	3.9	3.1	3.7	2.7	1.1	1.2	-14	-55
Pennsylvania	2.6	3.6	5.3	4.4	5.1	4.4	2.0	1.7	2	-62
Rhode Island	2.7	4.0	5.5	4.6	6.2	5.7	4.7	3.8	25	-34
South Carolina	1.2	2.0	4.9	3.2	3.8	3.1	1.0	1.2	-1	-61
South Dakota	1.6	2.4	2.9	2.7	2.6	2.2	0.9	0.8	-19	-63
Tennessee	2.0	3.3	3.5	4.3	5.7	4.8	2.6	3.2	11	-34
Texas	0.9	1.9	2.1	3.6	4.2	3.5	1.6	1.6	-1	-54
Utah	2.2	3.1	2.5	2.6	2.5	2.0	1.0	0.9	-25	-52
Vermont	1.4	2.6	4.4	3.9	4.8	4.3	2.7	2.2	10	-48
Virginia	1.0	1.9	3.1	2.4	3.0	2.4	1.1	1.0	-1	-58
Washington	2.4	3.2	3.7	4.7	5.4	4.9	2.8	2.4	6	-51
West Virginia	6.4	5.3	4.0	6.2	6.3	5.2	1.8	2.2	-16	-57
Wisconsin	1.1	1.8	4.5	4.8	4.4	3.3	0.8	0.9	-33	-72
Wyoming	1.1	1.5	1.4	3.1	3.4	2.6	0.2	0.1	-16	-94
United States	2.1	3.5	4.6	4.5	5.3	4.6	2.2	1.9	3	-60

Note: Reciprocity rate refers to the average monthly number of AFDC recipients in each state during the given fiscal year expressed as a percent of the total resident population as of July 1 of that year. The numerators are from Table TANF 11.

Sources: U. S. Department of Health and Human Services and U.S. Bureau of the Census, (Resident population by state available on line at <http://www.census.gov/population/estimates/state/>).

Table TANF 13. Average Number of AFDC/TANF Child Recipients, by State: Selected Fiscal Years
(thousands)

	1965	1970	1980	1990	1994	1996	2000	2003	Percent Change	
									1990-96	1996-03
Alabama	62	96	129	93	96	79	37	36	-14	-55
Alaska	4	6	10	13	24	23	15	10	76	-56
Arizona	31	39	38	87	136	118	66	83	36	-30
Arkansas	23	34	62	51	49	42	22	19	-18	-55
California	391	816	932	1,294	1,804	1,805	1,163	1,010	39	-44
Colorado	33	50	53	69	80	68	22	26	-2	-62
Connecticut	43	62	97	81	111	108	50	39	33	-64
Delaware	9	15	22	14	19	16	9	10	9	-37
Dist. of Columbia	16	31	59	34	51	48	34	32	40	-33
Florida	85	160	184	264	463	395	124	101	49	-74
Georgia	54	150	161	206	274	251	101	104	22	-58
Guam	1	1	4	3	5	6	0	0	87	-100
Hawaii	10	18	40	29	41	44	50	27	51	-39
Idaho	7	11	14	11	16	16	2	2	41	-84
Illinois	202	283	473	436	486	456	193	81	5	-82
Indiana	36	55	111	105	145	104	74	114	-1	10
Iowa	32	46	69	64	72	59	36	35	-7	-41
Kansas	28	41	49	52	59	48	23	28	-8	-42
Kentucky	58	93	118	117	137	120	64	57	3	-53
Louisiana	79	157	156	199	180	162	59	46	-19	-71
Maine	14	26	40	35	40	35	22	21	0	-42
Maryland	61	100	145	124	151	140	56	52	13	-63
Massachusetts	71	153	228	168	197	153	73	77	-9	-50
Michigan	119	190	460	427	439	354	153	148	-17	-58
Minnesota	39	58	91	110	124	116	81	80	5	-31
Mississippi	66	93	128	129	116	96	27	34	-25	-65
Missouri	82	106	135	139	176	162	94	85	16	-48
Montana	6	10	13	19	23	21	9	11	10	-44
Nebraska	12	23	25	29	31	28	20	22	-5	-21
Nevada	4	9	8	16	27	27	12	21	71	-24
New Hampshire	3	7	15	11	19	16	10	10	48	-36
New Jersey	79	209	318	213	228	195	102	81	-8	-59
New Mexico	23	39	35	37	66	65	51	31	75	-52
New York	380	759	759	658	813	771	491	353	17	-54
North Carolina	83	94	141	152	223	191	76	65	26	-66
North Dakota	6	8	9	10	11	9	5	6	-12	-33
Ohio	136	198	348	414	455	382	180	139	-8	-64
Oklahoma	55	71	65	77	90	74	28	28	-4	-62
Oregon	23	52	65	60	76	60	29	32	0	-47
Pennsylvania	217	307	432	345	417	368	184	154	7	-58
Puerto Rico	161	166	118	130	124	105	64	37	-19	-65
Rhode Island	18	27	36	30	41	39	34	28	29	-28
South Carolina	24	40	109	80	102	89	32	37	12	-59
South Dakota	8	12	15	13	14	12	5	5	-11	-57
Tennessee	58	99	115	144	203	181	107	132	26	-27
Texas	68	162	225	428	549	484	252	275	13	-43
Utah	16	23	24	31	33	27	16	16	-11	-42
Vermont	4	8	14	14	17	16	10	9	15	-44
Virgin Islands	1	2	2	2	3	4	2	1	52	-71
Virginia	35	66	116	104	134	114	55	53	10	-53
Washington	50	76	97	148	187	177	115	103	20	-42
West Virginia	80	65	58	68	72	62	22	28	-10	-55
Wisconsin	34	60	142	158	153	123	34	40	-22	-67
Wyoming	3	4	5	9	11	9	1	1	-4	-93
United States	3,242	5,483	7,320	7,755	9,611	8,672	4,598	4,073	12	-53

Note: From FY 2000 onward, TANF child recipients include TANF and SSP child recipients but not Tribal TANF recipients.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, 2003 TANF Report to Congress.

Table TANF 14. AFDC/TANF Reciprocity Rates for Children, by State: Selected Fiscal Years 1965–2003
(percent)

	1965	1970	1980	1990	1994	1996	2000	2003	Percent Change	
									1990-96	1996-03
Alabama	4.6	7.7	11.1	8.8	8.9	7.3	3.3	3.2	-17	-56
Alaska	3.1	5.0	8.0	7.4	12.8	12.4	7.9	5.3	67	-57
Arizona	4.8	6.0	4.8	8.6	12.1	9.7	4.7	5.5	12	-44
Arkansas	3.1	5.2	9.3	8.2	7.7	6.4	3.2	2.8	-23	-56
California	6.0	12.3	14.6	16.2	20.8	20.3	12.5	10.7	25	-47
Colorado	4.4	6.4	6.5	7.8	8.3	6.8	1.9	2.2	-13	-67
Connecticut	4.4	6.1	11.8	10.8	14.2	13.7	5.9	4.6	27	-66
Delaware	4.7	7.5	13.4	8.7	10.5	8.9	4.9	5.0	2	-44
Dist. of Columbia	6.0	13.8	40.9	30.7	44.5	44.1	31.4	29.9	44	-32
Florida	4.3	7.6	7.8	8.8	14.1	11.6	3.3	2.6	31	-78
Georgia	3.2	9.1	9.8	11.8	14.6	12.8	4.6	4.5	9	-64
Hawaii	3.6	6.5	14.5	10.5	13.6	14.5	17.2	9.0	39	-38
Idaho	2.7	4.2	4.7	3.6	4.6	4.6	0.5	0.7	27	-85
Illinois	5.3	7.5	14.6	14.8	15.7	14.4	6.0	2.5	-3	-83
Indiana	2.0	3.0	6.9	7.3	9.8	7.0	4.7	7.1	-5	2
Iowa	3.2	4.7	8.4	8.8	9.9	8.2	5.0	5.0	-8	-38
Kansas	3.5	5.4	7.5	7.9	8.5	7.0	3.2	4.0	-12	-43
Kentucky	4.9	8.3	10.9	12.4	14.1	12.4	6.7	5.7	-0	-54
Louisiana	5.5	11.3	11.8	16.5	14.6	13.3	4.9	3.9	-20	-70
Maine	3.9	7.7	12.5	11.5	13.1	11.8	7.5	7.2	3	-39
Maryland	4.6	7.3	12.4	10.6	12.0	11.1	4.1	3.7	5	-66
Massachusetts	3.8	8.1	15.3	12.4	13.9	10.6	4.9	5.2	-15	-51
Michigan	3.7	5.8	16.7	17.4	17.4	13.9	5.9	5.8	-20	-58
Minnesota	2.9	4.2	7.7	9.4	10.1	9.3	6.4	6.4	-0	-31
Mississippi	7.0	11.1	15.7	17.6	15.3	12.7	3.5	4.4	-28	-65
Missouri	5.2	6.9	9.9	10.6	12.9	11.6	6.6	6.1	10	-48
Montana	2.0	4.0	5.7	8.4	9.7	8.9	3.8	5.3	6	-41
Nebraska	2.3	4.4	5.5	6.8	7.0	6.1	4.4	4.9	-10	-19
Nevada	2.5	5.2	3.8	5.0	7.1	6.5	2.2	3.6	29	-45
New Hampshire	1.4	2.6	5.8	3.9	6.6	5.4	3.1	3.3	40	-39
New Jersey	3.4	8.8	16.0	11.7	11.7	9.9	4.9	3.8	-16	-61
New Mexico	5.2	9.5	8.5	8.3	13.5	13.1	10.1	6.2	59	-53
New York	6.3	13.0	16.2	15.4	18.0	17.0	10.6	7.8	11	-54
North Carolina	4.4	5.3	8.5	9.3	12.6	10.4	3.8	3.1	12	-70
North Dakota	2.3	3.6	4.7	6.0	6.3	5.4	3.6	4.1	-10	-24
Ohio	3.6	5.3	11.2	14.9	16.0	13.4	6.3	4.9	-10	-63
Oklahoma	6.4	8.5	7.6	9.1	10.4	8.5	3.1	3.2	-7	-62
Oregon	3.3	7.4	9.0	8.1	9.7	7.4	3.4	3.7	-8	-50
Pennsylvania	5.5	8.0	13.8	12.3	14.4	12.8	6.3	5.4	4	-58
Rhode Island	5.9	9.1	14.7	13.4	17.5	16.5	13.8	11.5	23	-30
South Carolina	2.3	4.2	11.6	8.7	10.8	9.4	3.2	3.6	8	-62
South Dakota	3.1	5.0	7.1	6.7	6.6	5.9	2.7	2.6	-12	-55
Tennessee	4.2	7.5	8.9	11.8	15.7	13.7	7.7	9.5	16	-31
Texas	1.7	4.1	5.2	8.7	10.4	8.8	4.2	4.4	1	-50
Utah	3.7	5.4	4.4	4.9	4.9	4.0	2.3	2.1	-19	-47
Vermont	2.7	5.4	9.9	9.5	11.7	10.8	7.2	6.3	13	-41
Virginia	2.2	4.1	7.9	6.8	8.4	7.0	3.1	3.0	3	-58
Washington	4.7	6.5	8.5	11.3	13.3	12.4	7.6	6.9	9	-44
West Virginia	12.2	11.2	10.4	15.7	16.8	14.6	5.5	7.1	-7	-52
Wisconsin	2.2	3.8	10.5	12.1	11.4	9.1	2.5	3.0	-25	-67
Wyoming	2.1	3.2	3.4	7.0	8.1	6.8	0.8	0.5	-2	-92
United States	4.4	7.6	11.3	11.9	14.0	12.4	6.3	5.5	4	-55

Note: Reciprocity rate refers to the average monthly number of AFDC child recipients in each State during the given fiscal year as a percent of the resident population under 18 years of age as of July 1 of that year. The numerators are from Table TANF 13.

Sources: U. S. Department of Health and Human Services and U.S. Bureau of the Census, (Resident population by state available on line at <http://www.census.gov/population/estimates/state/>).

Table TANF 15. TANF and Separate State Program (SSP) Families and Recipients: 2003
(thousands)

	Families			All Recipients			Child Recipients		
	TANF	SSP	Total	TANF	SSP	Total	TANF	SSP	Total
Alabama	18.8	0.3	19.1	44.7	1.0	45.7	35.2	0.5	35.8
Alaska	5.3	–	5.3	15.2	–	15.2	10.1	–	10.1
Arizona	47.8	–	47.8	113.0	–	113.0	82.8	–	82.8
Arkansas	11.2	–	11.2	25.4	–	25.4	18.9	–	18.9
California	449.7	45.7	495.4	1,111.6	191.1	1,302.7	891.3	119.1	1,010.5
Colorado	13.5	–	13.5	35.4	–	35.4	25.8	–	25.8
Connecticut	21.0	3.5	24.5	45.0	11.0	56.0	32.1	6.6	38.7
Delaware	5.6	0.1	5.7	12.7	0.6	13.3	9.7	0.3	10.0
District of Columbia	16.6	0.4	17.0	42.3	1.0	43.4	31.8	0.7	32.5
Florida	58.1	1.9	60.0	120.0	7.7	127.7	96.9	3.9	100.8
Georgia	55.9	0.7	56.6	133.8	2.7	136.5	103.1	1.4	104.5
Guam	3.1	–	3.1	10.8	–	10.8	–	–	0.0
Hawaii	9.8	3.9	13.6	25.7	15.2	40.9	18.0	8.8	26.8
Idaho	1.7	–	1.7	3.1	–	3.1	2.5	–	2.5
Illinois	37.9	0.5	38.4	98.0	0.9	98.9	80.3	0.3	80.6
Indiana	52.7	3.3	56.0	140.3	14.6	154.9	105.8	8.2	114.0
Iowa	20.0	2.1	22.1	52.2	2.1	54.3	34.9	0.0	34.9
Kansas	15.3	–	15.3	39.7	–	39.7	27.6	–	27.6
Kentucky	34.9	–	34.9	77.0	–	77.0	57.0	–	57.0
Louisiana	22.8	–	22.8	57.8	–	57.8	46.3	–	46.3
Maine	9.8	1.5	11.3	27.1	5.2	32.3	17.4	3.1	20.5
Maryland	26.1	2.8	29.0	61.8	8.9	70.7	46.0	5.6	51.6
Massachusetts	49.4	0.1	49.5	109.1	0.3	109.4	76.6	0.2	76.7
Michigan	75.1	–	75.1	200.6	–	200.6	147.8	–	147.8
Minnesota	36.5	5.1	41.6	94.6	22.5	117.2	67.9	12.4	80.3
Mississippi	19.8	–	19.8	45.7	–	45.7	33.6	–	33.6
Missouri	40.8	6.1	46.9	101.9	18.7	120.6	73.0	12.2	85.2
Montana	6.2	–	6.2	17.3	–	17.3	11.4	–	11.4
Nebraska	10.9	1.1	12.0	26.9	4.5	31.4	19.4	2.4	21.8
Nevada	10.6	0.8	11.4	25.3	2.9	28.2	19.2	1.6	20.8
New Hampshire	6.1	0.2	6.2	14.2	0.7	14.8	9.7	0.4	10.1
New Jersey	42.4	1.6	44.1	102.6	7.1	109.7	77.2	3.8	81.0
New Mexico	16.6	–	16.6	44.1	–	44.1	31.2	–	31.2
New York	148.8	47.3	196.1	338.7	162.4	501.1	243.4	109.2	352.6
North Carolina	40.4	–	40.4	84.2	–	84.2	65.4	–	65.4
North Dakota	3.4	–	3.4	8.7	–	8.7	6.1	–	6.1
Ohio	84.3	–	84.3	187.6	–	187.6	139.2	–	139.2
Oklahoma	15.0	–	15.0	36.8	–	36.8	28.1	–	28.1
Oregon	18.7	–	18.7	42.7	–	42.7	31.5	–	31.5
Pennsylvania	80.9	–	80.9	210.4	–	210.4	153.8	–	153.8
Puerto Rico	18.9	–	18.9	53.5	–	53.5	37.2	–	37.2
Rhode Island	13.3	1.5	14.9	35.5	5.3	40.8	24.8	3.2	28.0
South Carolina	20.7	–	20.7	50.6	–	50.6	36.7	–	36.7
South Dakota	2.8	–	2.8	6.3	–	6.3	5.2	–	5.2
Tennessee	68.7	1.3	69.9	180.9	4.6	185.6	129.7	2.8	132.5
Texas	133.2	6.6	139.8	334.4	28.3	362.7	259.4	15.3	274.7
Utah	8.5	0.0	8.6	21.8	0.2	22.0	15.6	0.1	15.7
Vermont	4.9	0.4	5.3	12.7	1.0	13.7	8.1	0.6	8.7
Virgin Islands	0.5	–	0.5	1.5	–	1.5	1.1	–	1.1
Virginia	25.2	7.0	32.2	58.2	16.6	74.8	41.7	11.6	53.2
Washington	54.7	3.0	57.7	135.9	12.9	148.8	94.9	8.2	103.1
West Virginia	15.8	–	15.8	40.7	–	40.7	27.6	–	27.6
Wisconsin	20.5	0.4	20.8	49.0	1.4	50.4	39.2	0.9	40.1
Wyoming	0.4	0.0	0.4	0.7	0.0	0.7	0.6	0.0	0.6
U.S. Total	2,032	149	2,181	4,965	551	5,517	3,730	344	4,073

Note: Some states provide cash and other forms of assistance to specific categories of families (e.g., two-parent families) under Separate State Programs (SSPs) funded out of Maintenance of Effort (MOE) dollars rather than federal TANF funds.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, (available online at <http://www.acf.dhhs.gov/>).

Table TANF 16. Recipients with Earnings in Current and Following Quarters: Fiscal Year 2002

State	Adult TANF Recipients (thousands)	Percentage with Earnings		Percentage without Earnings	
		Total	With Earnings in Following Quarter	Total	With Earnings in Following Quarter
Alabama	10.9	38	73	62	21
Alaska	6.8	45	80	55	20
Arizona	30.1	35	70	65	19
Arkansas	9.0	42	76	58	25
California	273.4	39	82	61	13
Colorado	10.3	37	71	63	22
Connecticut	18.0	41	78	59	19
Delaware	3.6	44	74	56	22
Dist. of Columbia	12.1	35	73	65	15
Florida	37.1	38	76	62	23
Georgia	35.0	34	72	66	16
Hawaii	10.7	39	86	61	13
Idaho	0.7	43	78	57	29
Illinois	32.0	39	81	61	17
Indiana	45.6	48	80	52	21
Iowa	21.7	47	77	53	23
Kansas	13.5	47	75	53	24
Kentucky	24.4	37	72	63	20
Louisiana	15.4	32	65	68	24
Maine	9.9	43	80	57	18
Maryland	19.8	34	72	66	19
Massachusetts	38.3	26	65	74	14
Michigan	64.9	36	70	64	18
Minnesota	31.7	42	72	58	21
Mississippi	12.6	32	69	68	19
Missouri	40.2	48	78	52	24
Montana	7.1	40	74	60	22
Nebraska	9.1	49	76	51	23
Nevada	8.6	43	77	57	22
New Hampshire	5.5	38	75	62	18
New Jersey	31.0	31	72	69	17
New Mexico	17.6	41	75	59	23
New York	NA	NA	NA	NA	NA
North Carolina	27.3	39	73	61	23
North Dakota	3.0	46	77	54	20
Ohio	63.0	39	75	61	21
Oklahoma	11.1	44	71	56	23
Oregon	13.3	25	71	75	15
Pennsylvania	67.6	34	71	66	18
Rhode Island	13.3	37	77	63	15
South Carolina	18.4	43	79	57	20
South Dakota	1.6	30	73	70	20
Tennessee	52.6	45	77	55	20
Texas	94.5	40	77	60	20
Utah	7.0	38	72	62	21
Vermont	5.8	42	76	58	19
Virginia	21.8	45	77	55	23
Washington	52.3	39	74	61	19
West Virginia	16.6	36	75	64	17
Wisconsin	10.9	33	72	67	19
Wyoming	0.2	43	71	57	28
All Reporting States	1,387	39	76	61	18

Note: "TANF adult recipients" is unduplicated roster of adults who received TANF benefits at any time during a quarter, averaged over four quarters in fiscal year. Data are not available for New York, which did not participate in the High Performance Bonus. Note also that TANF receipt and the presence of earnings may occur at different months within the quarter.

Source: Unpublished ACF calculations of High Performance Bonus data.

Table TANF 17. Patterns of TANF Receipt: Fiscal Year 2002

State	Adult TANF Recipients in Qtr(t) (thousands)	Percentage of Adult TANF Recipients Also Receiving Benefits in Following Quarters			
		Qtr(t+1)	Qtr(t+2)	Qtr(t+3)	Qtr(t+4)
Alabama	10.9	74	54	44	39
Alaska	6.8	77	60	50	43
Arizona	30.1	76	59	51	47
Arkansas	9.0	71	50	37	29
California	273.4	83	70	62	56
Colorado	10.3	73	54	43	37
Connecticut	18.0	79	62	49	40
Delaware	3.6	77	59	49	43
Dist. of Columbia	12.1	86	75	67	62
Florida	37.1	57	38	30	25
Georgia	35.0	78	60	49	42
Hawaii	10.7	80	66	56	49
Idaho	0.7	47	21	14	11
Illinois	32.0	78	60	47	38
Indiana	45.6	82	67	55	44
Iowa	21.7	75	57	48	42
Kansas	13.5	73	55	47	42
Kentucky	24.4	77	59	48	41
Louisiana	15.4	72	52	41	33
Maine	9.9	79	64	56	51
Maryland	19.8	78	62	51	45
Massachusetts	38.3	79	66	58	52
Michigan	64.9	75	59	50	46
Minnesota	31.7	82	68	59	53
Mississippi	12.6	76	59	50	43
Missouri	40.2	79	64	53	45
Montana	7.1	76	61	54	49
Nebraska	9.1	74	60	53	48
Nevada	8.6	76	54	39	29
New Hampshire	5.5	77	60	51	44
New Jersey	31.0	79	64	55	50
New Mexico	17.6	69	50	42	36
New York	NA	NA	NA	NA	NA
North Carolina	27.3	69	48	37	30
North Dakota	3.0	76	61	53	48
Ohio	63.0	72	52	42	36
Oklahoma	11.1	72	52	42	35
Oregon	13.3	76	60	50	43
Pennsylvania	67.6	79	64	56	51
Rhode Island	13.3	86	76	68	62
South Carolina	18.4	73	52	41	33
South Dakota	1.6	67	47	39	34
Tennessee	52.6	85	74	67	63
Texas	94.5	78	60	48	41
Utah	7.0	72	52	42	35
Vermont	5.8	78	63	54	48
Virginia	21.8	79	62	52	39
Washington	52.3	74	57	49	44
West Virginia	16.6	74	56	47	41
Wisconsin	10.9	77	59	49	44
Wyoming	0.2	48	21	14	10
All Reporting States	1,387	78	62	52	46

Note: "Adult TANF Recipients in Qtr(t)" is unduplicated roster of adults who received TANF benefits at any time during a quarter, averaged over four quarters in fiscal year. Data are not available for New York, which did not participate in the High Performance Bonus. This table examines length of receipt for all recipients receiving TANF in the selected quarter, in contrast to Table IND 8 in Chapter II, which looked at *new* entrants to AFDC/TANF. Another difference is that in this table, a recipient is counted as a recipient each quarter in which there is at least one month of receipt, even if the recipient has a gap of non-receipt for several months.

Source: Unpublished ACF calculations of High Performance Bonus data.

Food Stamp Program

The Food Stamp Program (FSP), administered by the U.S. Department of Agriculture's (USDA) Food and Nutrition Service, is the largest food assistance program in the country, reaching more poor individuals over the course of a year than any other public assistance program. Unlike many other public assistance programs, FSP has few categorical requirements for eligibility, such as the presence of children, elderly, or disabled individuals in a household. As a result, the program offers assistance to a large and diverse population of needy persons, many of whom are not eligible for other forms of assistance.

The Food Stamp Program was designed primarily to supplement the food purchasing power of eligible low-income households so they can buy a nutritionally adequate low-cost diet. Participating households are expected to be able to devote 30 percent of their counted monthly cash income (after adjusting for various deductions) to food purchases. Food stamp benefits then make up the difference between the household's expected contribution to its food costs and an amount judged to be sufficient to buy an adequate low-cost diet. This amount, the maximum food stamp benefit level, is derived from USDA's lowest-cost food plan, the Thrifty Food Plan (TFP).

The federal government is responsible for virtually all of the rules that govern the program, and, with limited variations, these rules are nationally uniform, as are the benefit levels. Nonetheless, states, the District of Columbia, Guam, and the Virgin Islands, through their local welfare offices, have primary responsibility for the day-to-day administration of the program. They determine eligibility, calculate benefits, and issue food stamp allotments. The Food Stamp Act provides 100 percent federal funding of food stamp benefits. States and other jurisdictions have responsibility for about half the cost of state and local food stamp agency administration.

In addition to the regular Food Stamp Program, the Food Stamp Act authorizes alternative programs in Puerto Rico, the Northern Mariana Islands, and American Samoa. The largest of these, the Nutrition Assistance Program in Puerto Rico, was funded under a federal block grant of over \$1.3 billion in 2002. Unless noted otherwise, the food stamp caseload and expenditure data in this Appendix *exclude* costs for the Nutrition Assistance Program (NAP) in Puerto Rico. (Prior editions of this Appendix included NAP, but caseload and expenditure data in this Appendix are now limited to the Food Stamp Program, to be consistent with FSP data published by the USDA.)

The Food Stamp Program is available to nearly all financially needy households. To be eligible for food stamps, a household must meet eligibility criteria for gross and net income, asset holdings, work requirements, and citizenship or immigration status. The FSP benefit unit is the household. Generally, individuals living together constitute a household if they customarily purchase and prepare meals together. The income, expenses and assets of the household members are combined to determine program eligibility and benefit allotment.

Monthly income is the most important determinant of household eligibility. Except for households composed entirely of TANF, SSI, General Assistance, elderly or disabled recipients, gross income cannot exceed 130 percent of poverty. After certain amounts are deducted for

living expenses, working expenses, dependent care expenses, excess shelter expenses, child support payment, and - for elderly/disabled households - medical expenses, net income cannot exceed 100 percent of poverty. Households also must not have more than \$2,000 in assets comprised of cash, savings, stocks and bonds, and certain vehicles (households with an elderly or disabled member can have up to \$3,000 in countable assets).

All nonexempt adult applicants for food stamps must register for work. To maintain eligibility, they must accept a suitable job, if offered one, and fulfill any work, job search, or training requirements established by the FSP office. Nondisabled adults living in households without children can receive benefits for three months only, unless they work or participate in work-related activities. Participation is restricted for certain groups, including students, strikers, and people who are institutionalized. Legal immigrants who are disabled, under age 18, are refugees or asylees, or have at least five years of legal US residency are eligible; all other noncitizens are not.

Food stamp benefits are a function of a household's size, its net monthly income, its assets, and maximum monthly benefit levels. Allotments are not taxable and food stamp purchases may not be charged sales taxes. Receipt of food stamps does not affect eligibility for or benefits provided by other welfare programs, although some programs use food stamp participation as a "trigger" for eligibility and others take into account the general availability of food stamps in deciding what level of benefits to provide.

Recent Legislative and Regulatory Changes

Title IV and subtitle A of title VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) made major changes to the Food Stamp Program, including strong work requirements on able-bodied adults without dependent children, restricted eligibility of legal immigrants, and a reduction in maximum benefits. These three provisions, and subsequent amendments, are discussed below; their impact on program participation and expenditures begins to appear in food stamp administrative data for 1997, with the fuller impact shown in data for 1998 and beyond.

First, a work requirement was added for able-bodied adult food stamp recipients without dependents (ABAWDs). Unless exempt, ABAWDs between the ages of 18 and 59 are not eligible for benefits for more than 3 months in every 36-month period unless they are (1) working at least 20 hours a week; (2) participating in and complying with a work program for at least 20 hours a week; or (3) participating in and complying with a workfare program. Under the original legislation, the Department of Agriculture was authorized to waive application of the work requirement to any group of individuals at the request of the state agency, if a determination was made that the area where they reside has an unemployment rate over 10 percent or does not have a sufficient number of jobs to provide them employment. The provision was further moderated under the Balanced Budget Act of 1997 (Public Law 105-33), which allowed states to exempt up to 15 percent of the ABAWD caseload (beyond those subject to waivers) and which increased funds for the food stamp employment and training program for the creation of job slots for able-bodied adults subject to time limits.

Separately, title IV of PRWORA made significant changes in the eligibility of noncitizens for food stamp benefits. As first enacted, most qualified aliens, including legal immigrants (illegal aliens were already ineligible) were barred from receiving food stamps until citizenship. Subsequently, the Agriculture Research, Extension and Education Reform Act of 1998 (Public Law 105-185) restored food stamp eligibility to certain groups of qualified aliens who were legally residing in the United States before passage of PRWORA on August 22, 1996 and were over 65 years of age on that date or were under age 18 or disabled.

Finally, the 1996 legislation restrained growth in future program expenditures by making changes in the benefit structure for eligible participants, including a reduction in the maximum food stamp allotment. Other provisions of the 1996 act disqualified from eligibility those convicted of drug-related felonies and gave states the option to disqualify individuals, both custodial and noncustodial parents, from food stamps when they do not cooperate with child support agencies or are in arrears in their child support.

Recent regulatory and legislative changes have been made to increase access to food stamps among working poor families. Regulatory changes announced in July 1999 and expanded in November 2000 allow states to reduce reporting requirements and make it easier for working families to report income changes on a semiannual basis. Under the November 2000 regulations, states also have the option of providing a three-month transitional food stamp benefit to most families leaving TANF. Regulations that went into effect in 2001 expanded categorical eligibility to those receiving noncash TANF benefits, excluded vehicles with little equity from the assets test, and eliminated the equity test for most vehicles. In addition, the Agriculture Appropriations Bill for 2001 (P.L. 106-387) provides states with the option of liberalizing the treatment of vehicle assets to align with the states' TANF rules on vehicle eligibility. These changes were intended to address concerns that some of the decline in food stamp caseloads may be leaving poor families without nutritional assistance as they make the transition from welfare dependence to full self-sufficiency.

The Farm Security and Rural Investment Act of 2002 – also known as the Farm Bill – reauthorized the Food Stamp Program through fiscal year 2007. This law brought a number of significant changes to the program, including some that supercede earlier changes made through PRWORA and subsequent FSP legislation and regulations. Specifically, the Farm Bill restores food stamp eligibility to legal immigrants who have lived in the country at least five years and to legal immigrants receiving disability benefits, regardless of entry date. Children of legal immigrants also are eligible for food stamps regardless of entry date. Effective in fiscal year 2004, the requirement that income and resources of an immigrant's sponsor be counted in determining the eligibility and benefit amounts for immigrant children was eliminated. Each provision became effective at a different time, but all restorations were in effect by October 1, 2003.

The Farm Bill also increased the asset limit from \$2,000 to \$3,000 for households with a disabled member, making it consistent with the limit for households with elderly, and replaced the fixed standard deduction with a deduction that varies according to household size and is indexed to cost-of-living increases, in recognition of the higher expenses larger households incur. For households in the 48 contiguous states and DC, Alaska, Hawaii and the Virgin Islands, the

deduction is set at 8.31 percent of the applicable net income limit based on household size. (Households in Guam will receive a slightly higher deduction.) No household receives an amount less than the previous fixed standard deduction or more than the standard deduction for a household of six.

Other Farm Bill changes include the authorization of \$5 million per year for education and outreach grants to help inform the low-income public of their eligibility for food stamps, and increased flexibility for states in spending Employment and Training program funds to promote work. States also are now allowed to extend from three months to up to five months the period of time households may receive transitional food stamp benefits when they lose TANF cash assistance. Benefits are equal to the amount the household received prior to termination of TANF with adjustments in income for the loss of TANF. This change helps individuals moving off cash assistance to make the transition from welfare to work.

The Farm Bill also implemented a number of administrative reforms and program simplifications, including:

- changing the quality control system so that only those states with persistently high error rates will face liabilities;
- awarding bonuses to states that improve the quality and accuracy of their service;
- allowing states to exclude certain types of income and resources not counted under TANF or Medicaid, such as educational assistance, when determining food stamp eligibility;
- allowing states to deem child support payments as income exclusions rather than deductions as an incentive for parents to pay child support;
- allowing states to simplify the standard utility allowance (SUA) if the state elects to use the SUA rather than actual utility costs for all households, thus reducing administrative burden, costs and errors;
- permitting states to use a standard deduction from income of \$143 per month for homeless households with some shelter expenses;
- allowing states to extend simplified reporting procedures to all households, not just households with earnings;
- eliminating the requirement that the Electronic Benefit Transfer (EBT) system be cost-neutral to the federal government to help support the EBT conversion process;
- allowing USDA to use alternative methods for issuing food stamp benefits during times of disaster when use of EBT is impractical;
- requiring food stamp applications be made available through the Internet; and
- combining Puerto Rico and American Samoa's block grants into one grant and indexing both with inflation.

Food Stamp Program Data

The following six tables and accompanying figure provide information about the Food Stamp Program:

- Tables FSP 1 and FSP 2 and Figure FSP 1 present national caseload and expenditure trend data on the Food Stamp Program as discussed below;

- Table FSP 3 presents some demographic characteristics of the food stamp caseload; and
- Tables FSP 4 through FSP 6 present some state-by-state trend data on the FSP through fiscal year 2003.

Food Stamp Caseload Trends (Table FSP 1). Average monthly food stamp participation was 21.3 million persons in fiscal year 2003, excluding the participants in Puerto Rico's block grant. This represents a significant increase over the fiscal year 2000 record-low average of 17.2 million participants. It is, however, well below the peak of 27.5 million recipients in fiscal year 1994. Both in absolute numbers and as a percentage of the population, food stamp reciprocity in 2000 was lower than at any point in the previous twenty years. See also Table IND 3b and Table IND 4b in Chapter II for further data trends in food stamp caseload, specifically, food stamp reciprocity and participation rates.

Considerable research has demonstrated that the Food Stamp Program is responsive to economic changes, with participation increasing in times of economic downturns and decreasing in times of economic growth (see Figure FSP 1). Economic conditions alone did not explain the caseload growth in the late 1980s and early 1990s, however. Studies suggest that a variety of factors contributed to this caseload growth, including a weak economy and higher rates of unemployment, expansions in Medicaid eligibility, the legalization of 3 million undocumented immigrants, and longer participation spells (McConnell, 1991; Gleason, 1998).

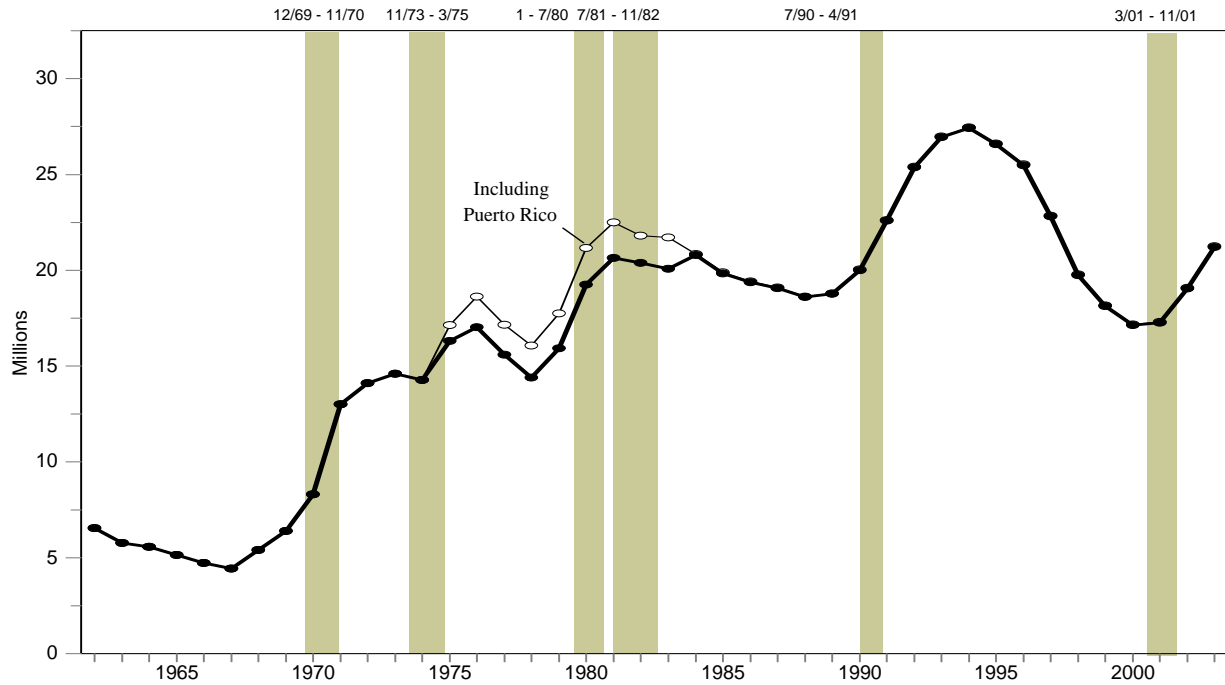
The decline in participation from 1994 to 2000 was caused by several factors, according to studies of this period. Part of the decline is associated with the strong economy in the second half of the 1990s. However, participation fell more sharply than expected during this period of sustained economic growth. Some of the decline reflected restrictions on the eligibility of noncitizens and time limits for unemployed nondisabled childless adults. The three groups where participation fell most rapidly included noncitizens and their US-born children, unemployed nondisabled childless adults, and persons receiving cash welfare benefits. As people left the welfare rolls, many also stopped participating in food stamps, even while remaining eligible (Genser, 1999; Wilde et al., 2000; Gleason et al., 2001; Kornfeld, 2002).

The increase in FSP participation from 2000 to 2003 occurred during a period when unemployment increased from four percent to six percent, states took advantage of opportunities to expand categorical eligibility to those receiving noncash TANF benefits and services and to liberalize the treatment of vehicles, and the Food and Nutrition Service was encouraging states to conduct outreach efforts.

Food Stamp Expenditures. Total program costs, shown in Table FSP 2, were considerably higher in 2003 than 2002, reflecting the increase in participation during that period as well as an increase in average benefits. Total federal program costs were \$23.9 billion in 2003; the comparable 2002 cost was \$21.1 billion (after adjusting for inflation). Average monthly benefits per person, also shown in Table FSP 2, were \$83.90 per person in fiscal year 2003, up from \$81.60 in 2002. This constitutes a 3 percent increase in average monthly benefits over the last year adjusted to 2003 dollars.

Food Stamp Household Characteristics. As shown in Table FSP 3, the proportion of food stamp households with earnings has increased, from about 20 percent for most of the 1980s and early 1990s, to 28 percent in 2003. At the same time, the proportion of households with income from AFDC/TANF has declined, from 43 percent in 1990 to 17 percent in 2003, following the dramatic decline in AFDC/TANF caseloads. Over half of all food stamp households have children, although the proportion has declined somewhat from over 60 percent in most of the 1980s and early 1990s to 55 percent in 2003. The vast majority (88 percent in 2003) of households have incomes below the federal poverty guidelines.

Figure FSP 1. Persons Receiving Food Stamps: 1962–2003



Note: Shaded areas are periods of recession as determined by the National Bureau of Economic Research.

Sources: U.S. Department of Agriculture, Food and Nutrition Service, National Data Bank.

Table FSP 1. Trends in Food Stamp Caseloads: Selected Years 1962–2003

Fiscal Year	Food Stamp Participants			Participants as a Percent of:			Child Participants as a Percent of:	
	Including Territories ¹ (thousands)	Excluding Territories (thousands)	Children Excl. Terr. (thousands)	Total Population ²	All Poor Persons ²	Pretransfer Poverty Population ³	Total Child Population ²	Children in Poverty ²
1962	6,554	6,554	NA	3.5	17.0	NA	NA	NA
1965	5,167	5,167	NA	2.7	15.6	NA	NA	NA
1970	8,317	8,317	NA	4.1	32.7	NA	NA	NA
1971	13,010	13,010	NA	6.3	50.9	NA	NA	NA
1972	14,111	14,111	NA	6.7	57.7	NA	NA	NA
1973	14,607	14,607	NA	6.9	63.6	NA	NA	NA
1974	14,288	14,288	NA	6.7	61.1	NA	NA	NA
1975 ⁴	17,152	16,320	NA	7.6	63.1	NA	NA	NA
1976	18,628	17,033	9,126	7.8	68.2	NA	13.8	88.8
1977	17,161	15,604	NA	7.1	63.1	NA	NA	NA
1978	16,077	14,405	NA	6.5	58.8	NA	NA	NA
1979 ⁵	17,758	15,942	NA	7.1	61.1	57.1	NA	NA
1980	21,173	19,253	9,876	8.5	65.8	60.7	15.5	85.6
1981	22,518	20,655	9,803	9.0	64.6	60.8	15.5	78.4
1982	21,808	20,392	9,591	8.8	59.3	56.3	15.3	70.3
1983	21,727	20,095	10,910	8.6	61.4	58.5	17.4	78.4
1984	20,854	20,796	10,492	8.8	61.7	58.5	16.8	78.2
1985	19,899	19,847	9,906	8.3	60.0	56.6	15.7	75.3
1986	19,429	19,381	9,844	8.1	59.9	56.2	15.7	76.5
1987	19,113	19,072	9,771	7.9	59.2	55.6	15.5	76.1
1988	18,645	18,613	9,351	7.6	58.6	55.2	14.8	75.1
1989	18,806	18,778	9,429	7.6	59.6	55.6	14.9	74.9
1990	20,049	20,020	10,127	8.0	59.6	55.7	15.8	75.4
1991	22,625	22,599	11,952	8.9	63.3	59.3	18.3	83.3
1992	25,406	25,370	13,349	9.9	66.7	64.0	20.1	87.3
1993	26,982	26,952	14,196	10.4	68.6	63.8	21.0	90.3
1994	27,468	27,433	14,391	10.4	72.1	66.8	21.0	94.1
1995	26,619	26,579	13,860	10.0	73.0	67.6	20.0	94.5
1996	25,543	25,495	13,189	9.5	69.8	64.6	18.8	91.2
1997	22,858	22,820	11,847	8.4	64.1	59.9	16.7	83.9
1998	19,791	19,748	10,524	7.2	57.3	53.8	14.7	78.1
1999	18,183	18,146	9,332	6.5	56.3	52.5	13.0	76.0
2000	17,194	17,156	8,743	6.1	55.1	51.8	12.1	75.5
2001	17,316	17,280	8,819	6.1	52.5	49.2	12.1	75.2
2002	19,095	19,058	9,688	6.6	55.1	52.1	13.3	79.8
2003	21,260	21,223	10,605	7.3	59.0	NA	14.5	82.4

¹ Total participants includes all participating states, the District of Columbia, and the territories (including Puerto Rico from 1975 to 1982—a separate Nutrition Assistance Grant for Puerto Rico was begun in July 1982). From 1962 to 1983 the number of participants includes the Family Food Assistance Program (FFAP) that was largely replaced by the FSP in 1975. The FFAP participants (as of December) for the seven years shown during the period from 1962 to 1974 were respectively: 6,411; 4,742; 3,977; 3,642; 3,002; 2,441; and 1,406 (all in thousands). From 1975 to 1983 the number of FFAP participants averaged only 88 thousand.

² Includes all participating states and the District of Columbia only--the territories are excluded from both numerator and denominator. Population numbers used as denominators are the resident population.

³ The pre-transfer poverty population used as denominator is the number of all persons in families or living alone whose income (cash income plus social insurance plus Social Security but before taxes and means-tested transfers) falls below the relevant poverty threshold. See Appendix J, Table 20, *1992 Green Book*; data for subsequent years are unpublished Congressional Budget Office tabulations.

⁴ The first fiscal year in which food stamps were available nationwide.

⁵ The fiscal year in which the food stamp purchase requirement was eliminated, on a phased-in basis.

Sources: U.S. Department of Agriculture, Food and Nutrition Service, National Data Bank, the *1996 Green Book*, and U.S. Bureau of the Census, "Income, Poverty, and Health Insurance in the United States: 2003," *Current Population Reports*, Series P60-226.

Table FSP 2. Trends in Food Stamp Expenditures: Selected Years 1975–2003

Fiscal Year	Total Federal Cost (Benefits + Administration)		Benefits (Federal) (millions)	Administration ¹		Total Program Cost (millions)	Average Monthly Benefit per Person	
	Current Dollars (millions)	2003 Dollars ² (millions)		Federal (millions)	State & Local (millions)		Current Dollars	2003 Dollars ²
	1975	\$4,619	\$15,603	\$4,386	\$233	\$175	\$4,794	\$21.30
1976	5,685	17,980	5,326	359	270	5,955	23.90	75.60
1977	5,461	16,076	5,067	394	295	5,756	24.80	73.00
1978	5,520	15,244	5,139	381	285	5,805	26.60	73.50
1979 ³	6,940	17,624	6,480	460	388	7,328	30.50	77.50
1980	9,206	21,019	8,721	486	375	9,581	34.50	78.80
1981	11,225	23,303	10,630	595	504	11,729	39.50	82.00
1982	10,837	21,019	10,208	628	557	11,394	39.20	74.90
1983	11,847	21,978	11,152	695	612	12,459	43.00	79.80
1984 ⁴	11,579	20,603	10,696	883 ⁵	805	12,384	42.70	76.00
1985	11,703	20,102	10,744	960	871	12,574	45.00	77.30
1986	11,638	19,497	10,605	1,033	935	12,573	45.50	76.20
1987	11,604	18,903	10,500	1,104	996	12,600	45.80	74.60
1988	12,317	19,275	11,149	1,168	1,080	13,397	49.80	77.90
1989	12,932	19,314	11,701	1,232	1,101	14,033	51.80	77.40
1990	15,490	22,038	14,186	1,305	1,174	16,664	59.00	83.90
1991	18,771	25,421	17,339	1,432	1,247	20,018	63.90	86.50
1992	22,462	29,525	20,906	1,557	1,375	23,837	68.60	90.20
1993	23,653	30,180	22,006	1,647	1,572	25,225	68.00	86.80
1994	24,493	30,445	22,749	1,744	1,643	26,136	69.00	85.80
1995	24,620	29,774	22,764	1,856	1,748	26,368	71.30	86.20
1996	24,331	28,631	22,440	1,891	1,842	26,173	73.20	86.10
1997	21,485	24,618	19,549	1,937	1,904	23,389	71.30	81.70
1998	18,888	21,296	16,891	1,998	1,988	20,876	71.10	80.20
1999	17,710	19,594	15,769	1,941	1,874	19,584	72.30	80.00
2000	17,054	18,282	14,983	2,070	2,086	19,140	72.60	77.80
2001	17,790	18,476	15,547	2,242	2,233	20,023	74.80	77.70
2002	20,644	21,128	18,256	2,388	2,397	23,041	79.70	81.60
2003	23,872	23,872	21,404	2,468	2,480	26,352	83.90	83.90

¹ Amounts include the federal share of state administrative and Employment and Training costs and certain direct federal administrative costs. They do not generally include approximately \$60 million in food stamp-related federal administrative costs budgeted under a separate appropriation account (although estimates prior to 1989 do include estimates of food stamp related federal administrative expenses paid out of other Agriculture Department accounts). State and local costs are estimated based on the known federal shares and represent an estimate of all administrative expenses of participating states.

² Constant dollar adjustments to 2002 level were made using a CPI-U-X1 fiscal year average price index.

³ The fiscal year in which the food stamp purchase requirement was eliminated, on a phased-in basis.

⁴ Beginning 1984 USDA took over from DHHS the administrative cost of certifying public assistance households for food stamps.

Note: Total federal cost includes food stamps in Puerto Rico (1975-1982). This table differs from versions published in earlier years in that it does not include the costs of the Family Food Assistance Program in the period from 1975 to 1983. The cost of benefits does include food stamps in Puerto Rico from 1975 to 1982 but (for consistency with the reporting of the Food and Nutrition Service) the total expenditures for benefits does not include the funding for the Puerto Rico nutrition assistance grant from the last quarter of FY 1982 when it replaced Puerto Rico's food stamp program to the present. (Puerto Rico's nutrition assistance grant was \$778 million in 1983 and rose to over \$1.3 billion in 2002.)

Source: U.S. Department of Agriculture, Food and Nutrition Service unpublished data from the National Data Bank; and the 2004 Green Book.

Table FSP 3. Characteristics of Food Stamp Households: 1980–2003
(percents)

	Year ¹									
	1980	1984	1988	1990	1994	1996	1998	2000	2002	2003
With Gross Monthly Income:										
Below the Federal Poverty Levels.....	87	93	92	92	90	91	90	89	88	88
Between the Poverty Levels and 130 Percent of the Poverty Levels.....	10	6	8	8	9	8	9	10	11	10
Above 130 Percent of Poverty.....	2	1	*	*	1	1	1	1	1	2
With Earnings.....	19	19	20	19	21	23	26	27	28	28
With Public Assistance Income ².....	65	71	72	73	69	67	65	63	56	52
With AFDC/TANF Income.....	NA	42	42	43	38	37	31	26	21	17
With SSI Income.....	18	18	20	19	23	24	28	32	29	28
With Children.....	60	61	61	61	61	60	58	54	54	55
And Female Heads of Household.....	NA	47	50	51	51	50	47	44	44	44
With No Spouse Present	NA	NA	39	37	43	43	41	38	37	37
With Elderly Members ³.....	23	22	19	18	16	16	18	21	19	18
Average Household Size.....	2.8	2.8	2.8	2.7	2.6	2.5	2.4	2.3	2.3	2.3

¹ Data were gathered in August in the years 1980-84 and during the summer in the years from 1986 to 1994. Reports from 1995 to the present are based on fiscal year averages.

² Public assistance income includes AFDC/TANF, SSI, and general assistance.

³ Elderly members and heads of household include those of age 60 or older.

* Less than 0.5 percent.

Source: U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis, Nutrition, and Evaluation, *Characteristics of Food Stamp Households, Fiscal Year 2003* and earlier years.

Table FSP 4. Value of Food Stamps Issued, by State: Selected Fiscal Years 1975–2003
(millions)

	1975	1980	1985	1990	1995	2000	2002	2003
Alabama	\$103	\$246	\$318	\$328	\$441	\$344	\$417	\$466
Alaska	6	27	25	25	50	46	59	66
Arizona	41	97	121	239	414	240	386	498
Arkansas	78	122	126	155	212	206	265	304
California	361	530	639	968	2,473	1,639	1,706	1,813
Colorado	44	71	94	156	217	127	165	203
Connecticut	36	59	62	72	169	138	146	165
Delaware	6	21	22	25	47	31	39	48
Dist. of Columbia	31	41	40	43	92	77	76	90
Florida	207	421	368	609	1,307	771	878	988
Georgia	129	264	290	382	700	489	621	782
Guam	2	15	18	15	24	36	52	53
Hawaii	23	60	93	81	177	166	152	156
Idaho	11	29	36	40	59	46	62	77
Illinois	238	394	713	835	1,056	777	923	1,053
Indiana	58	154	242	226	382	268	408	484
Iowa	28	54	107	109	142	100	129	149
Kansas	12	38	64	96	144	83	113	140
Kentucky	135	211	332	334	413	337	410	486
Louisiana	148	243	365	549	629	448	587	685
Maine	31	60	62	63	112	81	97	124
Maryland	76	140	171	203	365	199	215	257
Massachusetts	75	171	173	207	315	182	209	254
Michigan	124	263	541	663	806	457	645	783
Minnesota	40	62	105	165	240	165	201	227
Mississippi	110	199	264	352	383	226	298	335
Missouri	82	142	212	312	488	358	477	568
Montana	11	18	31	41	57	51	58	69
Nebraska	11	25	44	59	77	61	74	89
Nevada	10	15	22	41	91	57	96	113
New Hampshire	11	22	15	20	44	28	35	40
New Jersey	125	226	260	289	506	304	314	339
New Mexico	48	81	88	117	196	140	154	184
New York	209	726	938	1,086	2,065	1,361	1,479	1,677
North Carolina	122	234	237	282	495	403	536	645
North Dakota	5	9	16	25	32	25	31	37
Ohio	253	382	697	861	1,017	520	726	879
Oklahoma	38	73	134	186	315	208	288	362
Oregon	56	80	142	168	254	198	319	381
Pennsylvania	175	373	547	661	1,006	656	700	785
Rhode Island	18	31	35	42	82	59	64	69
South Carolina	121	181	194	240	297	249	352	443
South Dakota	8	18	26	35	40	37	45	51
Tennessee	115	282	280	372	554	415	552	722
Texas	314	514	701	1,429	2,246	1,215	1,522	1,881
Utah	12	22	40	71	90	68	80	102
Vermont	9	18	20	22	46	32	34	38
Virgin Islands	6	19	23	18	28	263	305	366
Virginia	63	158	189	247	450	21	17	18
Washington	70	90	140	229	417	241	318	394
West Virginia	56	87	159	192	253	185	198	216
Wisconsin	29	68	148	180	220	129	197	233
Wyoming	3	6	15	21	28	19	22	24
United States	\$4,386	\$8,721	\$10,744	\$14,186	\$22,764	\$14,983	\$18,256	\$21,412

Note: The totals for 1975 and 1980 include amounts for Puerto Rico of \$366 and \$828 million respectively.

Source: U.S. Department of Agriculture, Food and Nutrition Service, unpublished data from the Food Stamp National Data Bank.

Table FSP 5. Average Number of Food Stamp Recipients, by State: Selected Fiscal Years
(thousands)

	1975	1980	1985	1990	1996	2000	2002	2003	Percent Change	
									90-96	96-03
Alabama	365	583	588	454	509	396	444	472	12	-7
Alaska	15	29	22	25	46	38	46	51	84	10
Arizona	143	196	206	317	427	259	379	466	35	9
Arkansas	267	301	253	235	274	247	284	310	17	13
California	1,455	1,493	1,615	1,955	3,143	1,830	1,710	1,708	61	-46
Colorado	150	163	170	221	244	156	178	208	10	-15
Connecticut	155	170	145	133	223	165	169	181	67	-19
Delaware	26	52	40	33	58	32	40	46	74	-20
Dist. of Columbia	122	103	72	62	93	81	74	82	49	-12
Florida	647	912	630	781	1,371	882	985	1,041	75	-24
Georgia	498	627	567	536	793	559	646	750	48	-5
Guam	6	22	20	12	18	22	24	24	50	36
Hawaii	75	102	99	77	130	118	105	100	69	-23
Idaho	39	61	59	59	80	58	70	82	36	2
Illinois	926	903	1,110	1,013	1,105	817	886	954	9	-14
Indiana	392	353	406	311	390	300	411	470	25	21
Iowa	115	141	203	170	177	123	141	154	4	-13
Kansas	58	90	119	142	172	117	140	161	21	-6
Kentucky	472	468	560	458	486	403	450	503	6	4
Louisiana	510	569	644	727	670	500	588	655	-8	-2
Maine	126	139	114	94	131	102	111	133	39	1
Maryland	261	324	287	255	375	219	228	252	47	-33
Massachusetts	365	453	337	347	374	232	243	292	8	-22
Michigan	619	813	985	917	935	603	750	838	2	-10
Minnesota	167	171	228	263	295	196	217	235	12	-20
Mississippi	376	496	495	499	457	276	325	356	-8	-22
Missouri	300	335	362	431	554	423	515	592	28	7
Montana	38	43	58	57	71	59	63	71	25	1
Nebraska	49	66	94	95	102	82	88	99	7	-2
Nevada	32	32	32	50	97	61	97	111	94	15
New Hampshire	44	50	28	31	53	36	41	45	73	-15
New Jersey	490	605	464	382	540	345	320	339	42	-37
New Mexico	157	185	157	157	235	169	170	195	49	-17
New York	1,291	1,759	1,834	1,548	2,099	1,439	1,349	1,436	36	-32
North Carolina	466	582	474	419	631	488	574	649	51	3
North Dakota	19	25	33	39	40	32	37	40	2	-0
Ohio	854	865	1,133	1,089	1,045	610	735	855	-4	-18
Oklahoma	171	209	263	267	354	253	317	380	33	7
Oregon	201	197	228	216	288	234	359	398	33	39
Pennsylvania	848	980	1,032	952	1,124	777	767	823	18	-27
Rhode Island	86	87	69	64	91	74	72	74	42	-18
South Carolina	410	426	373	299	358	295	379	451	20	26
South Dakota	33	43	48	50	49	43	48	51	-3	5
Tennessee	397	624	518	527	638	496	598	728	21	14
Texas	1,133	1,167	1,263	1,880	2,372	1,333	1,554	1,872	26	-21
Utah	46	54	75	99	110	82	90	106	11	-4
Vermont	44	46	44	38	56	41	40	41	47	-27
Virgin Islands	16	34	32	18	31	336	352	394	75	1185
Virginia	257	384	360	346	538	16	12	13	55	-98
Washington	253	248	281	340	478	295	350	404	41	-16
West Virginia	242	209	278	262	300	227	236	247	14	-18
Wisconsin	148	215	363	286	283	193	262	297	-1	5
Wyoming	10	14	27	28	33	22	24	25	17	-23
United States	17,192	21,082	19,899	20,067	25,542	17,194	19,095	21,260	27	-17

Note: The totals for 1975 and 1980 include recipients in Puerto Rico of 810 thousand and 1.86 million respectively.

Source: U.S. Department of Agriculture, Food and Nutrition Service, unpublished data from the National Data Bank.

Table FSP 6. Food Stamp Reciprocity Rates, by State: Selected Fiscal Years
(percent)

	1975	1980	1985	1990	1996	2000	2002	2003	Percent Change	
									90-96	96-03
Alabama	9.9	14.9	14.8	11.2	11.8	8.9	9.9	10.5	5	-11
Alaska	4.0	7.1	4.1	4.5	7.6	6.0	7.2	7.8	67	3
Arizona	6.3	7.1	6.5	8.6	9.3	5.0	7.0	8.4	8	-10
Arkansas	12.4	13.1	10.9	10.0	10.6	9.2	10.5	11.4	7	7
California	6.8	6.3	6.1	6.5	9.8	5.4	4.9	4.8	50	-51
Colorado	5.8	5.6	5.3	6.7	6.2	3.6	4.0	4.6	-7	-26
Connecticut	5.0	5.5	4.5	4.0	6.7	4.8	4.9	5.2	65	-22
Delaware	4.5	8.7	6.5	5.0	7.8	4.1	4.9	5.6	57	-28
Dist. of Columbia	17.2	16.1	11.4	10.3	16.2	14.1	13.0	14.5	58	-10
Florida	7.6	9.3	5.5	6.0	9.2	5.5	5.9	6.1	54	-34
Georgia	9.8	11.4	9.5	8.2	10.6	6.8	7.6	8.6	28	-18
Hawaii	8.4	10.6	9.5	6.9	10.8	9.7	8.5	8.0	57	-26
Idaho	4.6	6.4	5.9	5.8	6.6	4.5	5.2	6.0	15	-10
Illinois	8.2	7.9	9.7	8.8	9.1	6.6	7.0	7.5	3	-17
Indiana	7.3	6.4	7.4	5.6	6.6	4.9	6.7	7.6	18	15
Iowa	4.0	4.8	7.2	6.1	6.2	4.2	4.8	5.2	0	-15
Kansas	2.5	3.8	4.9	5.7	6.6	4.3	5.2	5.9	15	-10
Kentucky	13.6	12.8	15.2	12.4	12.4	10.0	11.0	12.2	-0	-1
Louisiana	13.1	13.5	14.6	17.2	15.2	11.2	13.1	14.6	-12	-4
Maine	11.8	12.3	9.8	7.6	10.5	8.0	8.6	10.2	38	-3
Maryland	6.3	7.7	6.5	5.3	7.3	4.1	4.2	4.6	38	-37
Massachusetts	6.3	7.9	5.7	5.8	6.0	3.6	3.8	4.5	5	-25
Michigan	6.8	8.8	10.8	9.8	9.6	6.1	7.5	8.3	-3	-13
Minnesota	4.2	4.2	5.5	6.0	6.3	4.0	4.3	4.6	4	-26
Mississippi	15.7	19.6	19.1	19.4	16.6	9.7	11.3	12.3	-14	-26
Missouri	6.2	6.8	7.2	8.4	10.2	7.6	9.1	10.4	21	2
Montana	5.1	5.5	7.1	7.1	8.0	6.6	7.0	7.8	13	-3
Nebraska	3.2	4.2	5.9	6.0	6.1	4.8	5.1	5.7	2	-6
Nevada	5.2	4.0	3.4	4.1	5.8	3.0	4.5	5.0	42	-14
New Hampshire	5.3	5.4	2.8	2.7	4.5	2.9	3.2	3.5	64	-23
New Jersey	6.7	8.2	6.1	4.9	6.6	4.1	3.7	3.9	35	-41
New Mexico	13.5	14.1	10.9	10.3	13.4	9.3	9.2	10.4	30	-23
New York	7.2	10.0	10.3	8.6	11.3	7.6	7.0	7.5	31	-34
North Carolina	8.4	9.9	7.6	6.3	8.4	6.0	6.9	7.7	34	-8
North Dakota	2.9	3.9	4.9	6.1	6.1	5.0	5.8	6.3	-0	2
Ohio	7.9	8.0	10.6	10.0	9.3	5.4	6.4	7.5	-7	-20
Oklahoma	6.2	6.9	8.0	8.5	10.6	7.3	9.1	10.8	25	2
Oregon	8.6	7.5	8.5	7.6	8.9	6.8	10.2	11.2	17	26
Pennsylvania	7.1	8.3	8.8	8.0	9.2	6.3	6.2	6.7	15	-28
Rhode Island	9.2	9.1	7.2	6.4	8.9	7.1	6.7	6.9	40	-23
South Carolina	14.1	13.6	11.3	8.5	9.4	7.3	9.2	10.9	10	15
South Dakota	4.8	6.2	6.9	7.2	6.6	5.7	6.3	6.7	-9	2
Tennessee	9.3	13.6	11.0	10.8	11.8	8.7	10.3	12.5	9	6
Texas	9.0	8.1	7.8	11.0	12.3	6.4	7.2	8.5	11	-31
Utah	3.7	3.7	4.6	5.7	5.3	3.7	3.9	4.5	-7	-16
Vermont	9.1	8.9	8.2	6.8	9.5	6.7	6.5	6.7	40	-30
Virginia	5.1	7.2	6.3	5.6	8.0	4.7	4.8	5.3	43	-33
Washington	7.0	6.0	6.4	6.9	8.6	5.0	5.8	6.6	24	-23
West Virginia	13.1	10.7	14.6	14.6	16.4	12.6	13.1	13.6	13	-17
Wisconsin	3.2	4.6	7.6	5.8	5.4	3.6	4.8	5.4	-7	0
Wyoming	2.7	3.0	5.4	6.2	6.8	4.5	4.7	5.0	8	-25
United States	7.6	8.5	8.3	8.0	9.5	6.1	6.6	7.3	18	-23

Note: Reciprocity rate refers to the average monthly number of food stamp recipients in each state during the particular fiscal year expressed as a percent of the total resident population as of July 1 of that year. The numerator is from Table FSP 5.

Source: U.S. Department of Agriculture, Food and Nutrition Service, unpublished data from the National Data Bank and U.S. Bureau of the Census (resident population by state available online at <http://www.census.gov>).

Supplemental Security Income

The Supplemental Security Income (SSI) Program is a means-tested, federally administered income assistance program authorized by title XVI of the Social Security Act. Established in 1972 (Public Law 92-603) and begun in 1974, SSI provides monthly cash payments in accordance with uniform, nationwide eligibility requirements to needy aged, blind and disabled persons. To qualify for SSI payments, a person must satisfy the program criteria for age, blindness or disability. Children may qualify for SSI if they are under age 18 and meet the applicable SSI disability or blindness, income and resource requirements. Individuals and married couples are eligible for SSI if their countable incomes fall below the Federal maximum monthly SSI benefit levels of \$564 for an individual and \$846 for a married couple in fiscal year 2004. SSI eligibility is restricted to qualified persons who have countable resources/assets of not more than \$2,000, or \$3,000 for a couple.

The Social Security Administration (SSA) administers the SSI program. Since its inception, SSI has been viewed as the “program of last resort.” Therefore, SSA helps recipients obtain any other public assistance that they are eligible to receive before providing SSI benefits. After evaluating all other income, SSI pays what is necessary to bring an individual to the statutorily prescribed income “floor.” As of December 2001, 36 percent of all SSI recipients also received Social Security retirement or survivor benefits, which are the single greatest source of income for SSI recipients.

Prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), no individual could receive both SSI payments and Aid to Families with Dependent Children (AFDC) benefits. If eligible for both, the individual had to choose which benefit to receive. Generally, the AFDC agency encouraged individuals to file for SSI and, once the SSI payments had started, the individual was removed from the AFDC filing unit. Since states have the authority to set TANF eligibility standards and benefit levels under PRWORA, individuals are not prohibited from receiving both TANF benefits and SSI.

With the exception of California, which converted food stamp benefits to cash payments that are included in the State supplementary payment, SSI recipients may be eligible to receive food stamps. If all household members receive SSI, the household is categorically eligible for food stamps and does not need to meet the Food Stamp Program’s financial eligibility standards. If SSI beneficiaries live in households in which other household members do not receive SSI benefits, the household must meet the net income eligibility standard of the Food Stamp Program to be eligible for food stamp benefits.

Legislative Changes

Several legislative changes made in the 104th Congress affected SSI participation and expenditures. Public Law 104-121, the Contract with America Advancement Act of 1996, prohibited SSI eligibility to individuals whose drug addiction and/or alcoholism (DAA) is a contributing factor material to the finding of disability. This provision applied to individuals who filed for benefits on or after the date of enactment (March 29, 1996) and to individuals

whose claims were finally adjudicated on or after the date of enactment. It applied to current beneficiaries on January 1, 1997.

PRWORA made several changes designed to maintain the SSI program's goal of limiting benefits to severely disabled children. First, the act replaced the former "comparable severity" test with a new definition of disability specifically for children, based on a medically determinable physical or mental impairment that results in "marked and severe functional limitations." Second, SSA discontinued use of the Individualized Functional Assessment (IFA) which it had implemented in 1991 following the Supreme Court's decision in *Sullivan v Zebley*, 493 U.S. 521 (1990).¹ Third, references to "maladaptive behaviors" in certain sections of the Listing of Impairments (among medical criteria for evaluation of mental and emotional disorders in the domain of personal/behavioral function) were eliminated. The latter two provisions were effective for all new and pending applications upon enactment (August 22, 1996). Beneficiaries who were receiving benefits due to an IFA or under the Listings because of limitations resulting from maladaptive behaviors received notice no later than January 1, 1997, that their benefits might end when their case was redetermined. Additional provisions of the PRWORA with impact on enrollment are the requirement that eligibility be redetermined when beneficiaries reach age 18, using the adult disability standard; that "continuing disability reviews" be done for children; and that children who were eligible due to low birth weight have their eligibility redetermined at age one.

Title IV of PRWORA also made significant changes in the eligibility of noncitizens for SSI benefits. Some of the restrictions were subsequently moderated, most notably by the Balanced Budget Act of 1997 (Public Law 105-33), which "grandfathered" immigrants who were receiving SSI at the time of enactment of the PRWORA. Those immigrants who entered the U.S. after August 22, 1996, may be eligible to receive SSI after having been "lawfully admitted for permanent residence."

Several provisions aimed at reducing SSI fraud and improving recovery of overpayments were enacted in 1999 as part of the Foster Care Independence Act of 1999 (P. L. 106-169). Other legislation enacted in 1999 provides additional work incentives for disabled beneficiaries of SSI. Additionally, the Social Security Protection Act of 2004 (P.L. 108-203), enacted March 2, 2004, introduced program and beneficiary protections covering the use of representative payees and required documentation of changes in beneficiary status.

SSI Program Data

The following tables and figures provide SSI program data:

- Tables SSI 1 through SSI 5 present national caseload and expenditure trend data on the SSI program.
- Table SSI 6 presents demographic characteristics of the SSI caseload.

¹ In this case, the Supreme Court ruled that the IFA (or a residual functional capacity assessment) that applied to adults whose condition did not meet or equal a listing of medical impairments to determine eligibility should also be applied to children whose condition did not meet or equal the medical listing of impairments.

- Tables SSI 7 through SSI 9 present state-by-state trend data on the SSI program through fiscal year 2003.

SSI Caseload Trends (Tables SSI 1 and SSI 2 and Figure SSI 1). From 1990 to 1995, the number of SSI beneficiaries increased from 4.8 million to 6.5 million, an average growth rate of over 6 percent per year. Between 1995 and 2000, the number of beneficiaries fluctuated between 6.5 and 6.6 million persons. In December 2003, there were 6.9 million beneficiaries. Table SSI 1 presents information on the total number of persons receiving SSI payments in December of each year from 1974 through 2003, and also presents recipients by eligibility category (aged, blind and disabled) and by type of recipient (child, adults ages 18-64, and adults ages 65 or older). See also Tables IND 3c and IND 4c in Chapter II for further data on trends in reciprocity and participation rates.

The composition of the SSI caseload has been shifting over time, as shown in Table SSI 1. The number of beneficiaries eligible because of age has been declining steadily, from a high of 2.3 million persons in December 1975 to a low of 1.2 million persons in December 2003. At the same time, there has been strong growth in blind and disabled beneficiaries, from 1.7 million in December 1974 to 5.7 million in December 2003. Moreover, the number of disabled children has increased dramatically, particularly during the 1990s, when the number of disabled children receiving SSI increased from 309,000 in December 1990 to 955,000 in December 1996. The number of disabled children fell in the next three years, stabilized at 847,000 in 1999 and 2000, and began to rise again in 2001, reaching 959,000 in 2003.

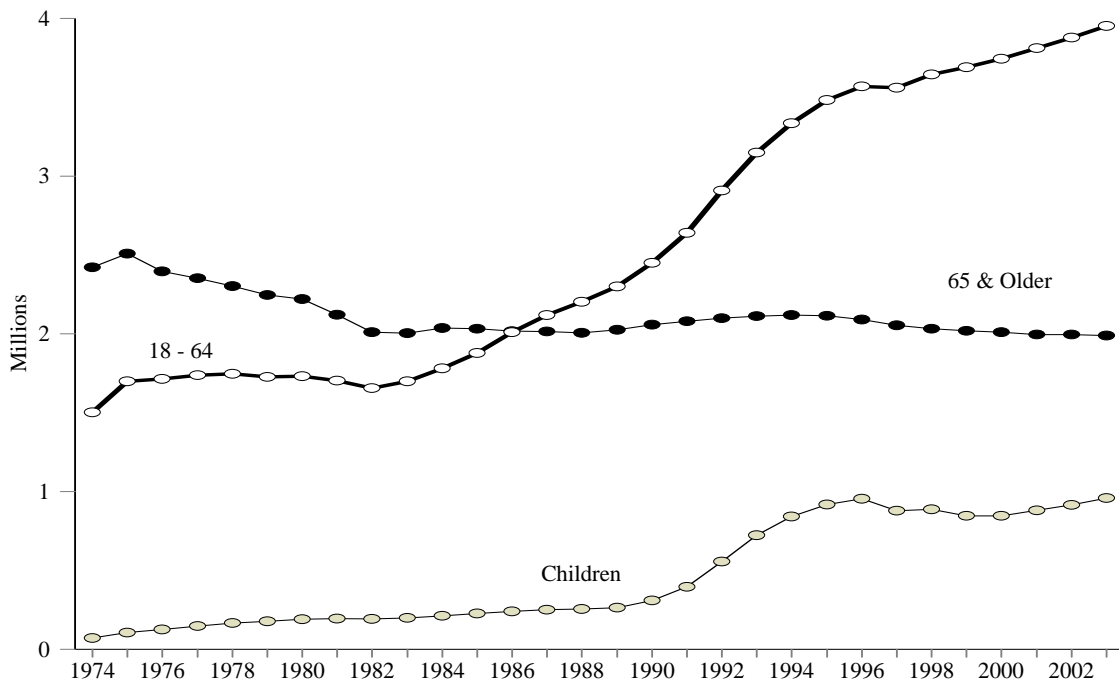
Several factors have contributed to the growth of the Supplemental Security Income program. Expansions in disability eligibility (particularly for mentally impaired adults and for children), increased outreach, overall growth in immigration, and transfers from state programs were among the key factors identified in a 1995 study by the Government Accountability Office (GAO). GAO concluded that three groups – adults with mental impairments, children, and non-citizens – accounted for nearly 90 percent of the SSI program’s growth in the early 1990s. The growth in disabled children beneficiaries is generally believed to be due to outreach activities, the Supreme Court decision in the *Zebley* case, expansion of the medical impairment category, and reduction in reviews of continuing eligibility.²

SSI Expenditures (Tables SSI 3 through SSI 5). While administrative costs increased by about 1 percent, the total amount paid out in SSI benefits increased from \$33.1 billion (inflation adjusted) in 2001 to \$35.6 billion in 2003, as shown in Table SSI 3. Average monthly benefits per person were \$421 in 2003, down slightly from 2002 inflation adjusted benefit level of \$424. For more details see Table SSI 4.

SSI Recipient Characteristics (Table SSI 6). Over the last 20 years, the percentage of aged SSI recipients has dramatically decreased, while the percentage of disabled recipients has increased substantially. As shown in Table SSI 6, the proportion of SSI recipients aged 65 or older has decreased dramatically, from 54 percent in 1980 to 29 percent in 2003.

² The GAO study estimated that 87,000 children were added to the SSI caseload after the IFA for children was initiated.

Figure SSI 1. SSI Recipients, by Age: 1974–2003



Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004* (Data available online at <http://www.ssa.gov/statistics>).

Table SSI 1. Number of Persons Receiving Federally Administered SSI Payments: 1974–2003
(thousands)

Date	Eligibility Category					Type of Recipient		
	Total	Aged	Blind and Disabled			Children	Adults	
			Total	Blind	Disabled		Ages 18-64	65 or Older
Dec 1974	3,996	2,286	1,710	75	1,636	71 ¹	1,503	2,422
Dec 1975	4,314	2,307	2,007	74	1,933	107	1,699	2,508
Dec 1976	4,236	2,148	2,088	76	2,012	125	1,714	2,397
Dec 1977	4,238	2,051	2,187	77	2,109	147	1,738	2,353
Dec 1978	4,217	1,968	2,249	77	2,172	166	1,747	2,304
Dec 1979	4,150	1,872	2,278	77	2,201	177	1,727	2,246
Dec 1980	4,142	1,808	2,334	78	2,256	190	1,731	2,221
Dec 1981	4,019	1,678	2,341	79	2,262	195	1,703	2,121
Dec 1982	3,858	1,549	2,309	77	2,231	192	1,655	2,011
Dec 1983	3,901	1,515	2,386	79	2,307	198	1,700	2,003
Dec 1984	4,029	1,530	2,499	81	2,419	212	1,780	2,037
Dec 1985	4,138	1,504	2,634	82	2,551	227	1,879	2,031
Dec 1986	4,269	1,473	2,796	83	2,713	241	2,010	2,018
Dec 1987	4,385	1,455	2,930	83	2,846	251	2,119	2,015
Dec 1988	4,464	1,433	3,030	83	2,948	255	2,203	2,006
Dec 1989	4,593	1,439	3,154	83	3,071	265	2,302	2,026
Dec 1990	4,817	1,454	3,363	84	3,279	309	2,450	2,059
Dec 1991	5,118	1,465	3,654	85	3,569	397	2,642	2,080
Dec 1992	5,566	1,471	4,095	85	4,010	556	2,910	2,100
Dec 1993	5,984	1,475	4,509	85	4,424	723	3,148	2,113
Dec 1994	6,296	1,466	4,830	85	4,745	841	3,335	2,119
Dec 1995	6,514	1,446	5,068	84	4,984	917	3,482	2,115
Dec 1996	6,614	1,413	5,201	82	5,119	955	3,568	2,090
Dec 1997	6,495	1,362	5,133	81	5,052	880	3,562	2,054
Dec 1998	6,566	1,332	5,234	80	5,154	887	3,646	2,033
Dec 1999	6,557	1,308	5,249	79	5,169	847	3,691	2,019
Dec 2000	6,602	1,289	5,312	79	5,234	847	3,744	2,011
Dec 2001	6,688	1,264	5,424	78	5,346	882	3,811	1,995
Dec 2002	6,788	1,252	5,537	78	5,459	915	3,878	1,995
Dec 2003	6,902	1,233	5,670	77	5,593	959	3,878	1,990

¹ Includes students 18-21 in 1974 only.

Source: Social Security Administration, *Supplemental Security Income, Annual Statistical Report, 2004* (Data available online at <http://www.ssa.gov/statistics>).

Table SSI 2. SSI Reciprocity Rates: 1974–2003
(percent)

Date	All Recipients as a Percent of Total Population ¹	Adults 18-64 as a Percent of 18-64 Population ¹	Child Recipients as a Percent of All Children ¹	Elderly Recipients (Persons 65 & Older) as a Percent of		
				All Persons & Older ¹	All Elderly Poor ²	Pretransfer Elderly Poor ³
Dec 1974	1.9	1.2	0.1	10.8	78.5	NA
Dec 1975	2.0	1.3	0.2	10.9	75.6	NA
Dec 1976	1.9	1.3	0.2	10.2	72.4	NA
Dec 1977	1.9	1.3	0.2	9.7	74.1	NA
Dec 1978	1.9	1.3	0.3	9.3	71.5	NA
Dec 1979	1.8	1.3	0.3	8.8	61.3	66.8
Dec 1980	1.8	1.2	0.3	8.6	57.5	64.7
Dec 1981	1.7	1.2	0.3	8.0	55.0	63.3
Dec 1982	1.7	1.2	0.3	7.4	53.6	62.3
Dec 1983	1.7	1.2	0.3	7.3	55.2	61.9
Dec 1984	1.7	1.2	0.3	7.2	61.2	66.3
Dec 1985	1.7	1.3	0.4	7.1	58.7	64.5
Dec 1986	1.8	1.3	0.4	6.9	57.9	63.4
Dec 1987	1.8	1.4	0.4	6.7	56.5	64.7
Dec 1988	1.8	1.5	0.4	6.6	57.6	64.3
Dec 1989	1.9	1.5	0.4	6.5	60.3	64.6
Dec 1990	1.9	1.6	0.5	6.5	56.3	63.3
Dec 1991	2.0	1.7	0.6	6.5	55.0	61.1
Dec 1992	2.2	1.9	0.8	6.4	53.5	59.8
Dec 1993	2.3	2.0	1.1	6.4	56.3	63.3
Dec 1994	2.4	2.1	1.2	6.3	57.9	65.6
Dec 1995	2.4	2.2	1.3	6.2	63.7	71.4
Dec 1996	2.4	2.2	1.4	6.1	61.0	69.3
Dec 1997	2.4	2.2	1.2	6.0	60.8	69.1
Dec 1998	2.4	2.2	1.2	5.9	60.0	69.1
Dec 1999	2.3	2.2	1.2	5.8	62.6	72.4
Dec 2000	2.3	2.1	1.2	5.7	60.5	66.9
Dec 2001	2.3	2.1	1.2	5.6	58.4	67.6
Dec 2002	2.3	2.1	1.3	5.6	55.8	64.5
Dec 2003	2.4	2.2	1.3	5.5	56.0	xxx

¹ Population numbers used for the denominators are Census Bureau resident population estimates adjusted to the December date by averaging the July 1 population of the current year with the July 1 population of the following year (resident population estimates by age are available online at <http://www.census.gov>).

² For the number of persons (65 years of age and older living in poverty) used as the denominator, see *Current Population Reports*, Series P60-226.

³ The pretransfer poverty population used as the denominator is the number of all elderly persons living in elderly-only units 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*; data for subsequent years are unpublished Congressional Budget Office tabulations.

Notes: Numerators for these ratios are from Table SSI 1. Rates computed by DHHS.

Source: *1994 Green Book* and U.S. Bureau of the Census, "Income, Poverty, and Health Insurance in the United States: 2003," *Current Population Reports*, Series P60-226, (Available online at <http://www.census.gov/hhes/www/poverty.html>).

Table SSI 3. Total, Federal and State SSI Benefits and Administration: 1974–2003¹
(millions)

Calendar Year	Total Benefits		Federal Payments	State Supplementation			Administrative Costs (fiscal year)
	2003 ² Dollars	Current Dollars		Total	Federally Administered	State Administered	
1974	\$18,598	\$5,246	\$3,833	\$1,413	\$1,264	\$149	\$285
1975	19,245	5,878	4,314	1,565	1,403	162	399
1976	18,790	6,066	4,512	1,554	1,388	166	500
1977	18,359	6,306	4,703	1,603	1,431	172	526
1978	17,860	6,552	4,881	1,671	1,491	180	539
1979	17,592	7,075	5,279	1,797	1,590	207	611
1980	17,753	7,941	5,866	2,074	1,848	226	668
1981	17,548	8,593	6,518	2,076	1,839	237	717
1982	17,286	8,981	6,907	2,074	1,798	276	780
1983	17,373	9,404	7,423	1,982	1,711	270	846
1984	18,368	10,372	8,281	2,091	1,792	299	864
1985	18,914	11,060	8,777	2,283	1,973	311	956
1986	20,282	12,081	9,498	2,583	2,243	340	1,023
1987	20,977	12,951	10,029	2,922	2,563	359	977
1988	21,443	13,786	10,734	3,052	2,671	381	976
1989	22,228	14,980	11,606	3,374	2,955	419	1,052
1990	23,368	16,599	12,894	3,705	3,239	466	1,075
1991	25,025	18,524	14,765	3,759	3,231	529	1,230
1992	29,157	22,233	18,247	3,986	3,435	550	1,426
1993	31,270	24,557	20,722	3,835	3,270	566	1,468
1994	32,127	25,877	22,175	3,701	3,116	585	1,780
1995	33,356	27,628	23,919	3,708	3,118	590	1,978
1996	33,765	28,792	25,265	3,527	2,988	539	1,953
1997	33,306	29,052	25,457	3,595	2,913	682	2,055
1998	34,109	30,216	26,405	3,812	3,003	808	2,304
1999	34,153	30,923	26,805	4,154	3,301	853	2,493
2000	33,727	31,564	27,290	4,274	3,381	893	2,321
2001	34,349	33,061	28,706	4,355	3,460	895	2,397
2002	35,355	34,567	29,899	4,668	3,820	848	2,522
2003	35,605	35,605	30,688	4,917	4,005	912	2,656

¹ Payments and adjustments during the respective year but not necessarily accrued for that year

² Data adjusted for inflation by ASPE using the CPI-U-X1 for calendar years

Source: Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004*, (Data available online at <http://www.ssa.gov/statistics>).

Table SSI 4. Average Monthly SSI Benefit Payments: 1974–2003

Calendar Year	Total ¹		Federal Payments	State Supplementation		
	2003 Dollars	Current Dollars		Total	Federally Administered	State Administered
1974	\$477	\$135	\$108	\$64	\$71	\$35
1975	368	112	92	66	69	45
1976	365	118	99	68	71	50
1977	357	123	104	69	72	53
1978	349	128	108	72	74	56
1979	349	140	119	77	79	67
1980	353	158	133	89	91	76
1981	360	176	151	92	94	79
1982	369	191	166	96	97	93
1983	366	198	172	91	92	89
1984	374	211	187	93	93	93
1985	375	219	193	99	99	102
1986	389	232	202	107	108	101
1987	392	242	208	117	118	110
1988	393	253	219	118	118	118
1989	396	267	230	126	126	127
1990	398	283	244	132	131	136
1991	401	297	260	125	122	143
1992	430	328	292	124	121	147
1993	430	337	306	112	107	150
1994	420	338	310	105	99	152
1995	423	350	322	110	103	164
1996	421	359	333	108	103	145
1997	423	369	342	99	102	86
1998	428	379	350	103	104	102
1999	429	388	356	111	113	105
2000	420	393	360	113	114	109
2001	423	407	373	113	114	108
2002	424	415	383	129	129	128
2003	421	421	387	136	135	138

¹ Total is a weighted average of the Federal plus State average benefit, the Federal-only average benefit, and State-only average benefit.

Note: The numerators for these averages are given in Table SSI 3 and the denominators are given in Table SSI 5. Averages were computed by DHHS. Data adjusted for inflation using a calendar-year average CPI-U-X1 index.

Source: Number of persons receiving payments obtained from Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004*.

Table SSI 5. Number of Persons Receiving SSI Payments, by Type of Payment: 1974–2003
(thousands)

	Total	Federal	State Supplementation		
			Total	Federally Administered	State Administered
Jan 1974.....	3,249	2,956	1,839	1,480	358
Dec 1975.....	4,360	3,893	1,987	1,684	303
Dec 1980.....	4,194	3,682	1,934	1,685	249
Dec 1984.....	4,094	3,699	1,875	1,607	268
Dec 1985.....	4,200	3,799	1,916	1,661	255
Dec 1986.....	4,347	3,922	2,003	1,723	279
Dec 1987.....	4,458	4,019	2,079	1,807	272
Dec 1988.....	4,541	4,089	2,155	1,885	270
Dec 1989.....	4,673	4,206	2,224	1,950	275
Dec 1990.....	4,888	4,412	2,344	2,058	286
Dec 1991.....	5,200	4,730	2,512	2,204	308
Dec 1992.....	5,647	5,202	2,684	2,372	313
Dec 1993.....	6,065	5,636	2,850	2,536	314
Dec 1994.....	6,377	5,965	2,950	2,628	322
Dec 1995.....	6,576	6,194	2,817	2,518	300
Dec 1996.....	6,677	6,326	2,732	2,421	310
Dec 1997.....	6,565	6,212	3,029	2,372	657
Dec 1998.....	6,649	6,289	3,072	2,412	661
Dec 1999.....	6,641	6,275	3,116	2,441	675
Dec 2000.....	6,685	6,320	3,164	2,481	683
Dec 2001.....	6,776	6,410	3,209	2,520	689
Dec 2002.....	6,940	6,505	3,014	2,462	553
Dec 2003.....	7,052	6,614	3,019	2,467	551

Source: Number of persons receiving payments obtained from Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004*.

Table SSI 6. Characteristics of SSI Recipients, by Age, Sex, Earnings/Income and Citizenship: Selected Years 1980-2003

	1980	1985	1990	1994	1998	2000	2002	2003
Total								
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 18	5.5	5.5	6.4	13.4	13.5	12.8	13.5	13.9
18-64	40.9	45.4	50.9	53.0	55.5	56.7	57.2	57.3
65 or Older	53.6	49.1	42.7	33.7	31.0	30.5	29.3	28.8
Sex								
Male	34.4	35.2	37.2	41.3	41.3	41.5	42.0	42.4
Female	65.5	64.8	62.8	58.7	58.7	58.5	58.0	57.6
Selected Sources of Income								
Earnings	3.2	3.8	4.7	4.2	4.5	4.4	4.1	3.5
Social Security	51.0	49.4	45.9	39.1	36.5	36.1	35.5	35.1
No Other Income	34.8	34.5	36.4	43.6	47.3	54.4	55.1	55.4
Noncitizens	NA	5.1	9.0	11.7	10.2	10.5	10.4	10.1
Eligibility Category								
Aged	43.6	36.4	30.2	23.3	20.3	19.5	18.4	17.9
Blind	1.9	2.0	1.7	1.4	1.2	1.2	1.1	1.1
Disabled	54.5	61.7	68.1	75.4	78.5	79.3	80.4	81.0
Aged								
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
65-69	14.0	14.9	19.4	20.5	17.6	17.6	15.3	15.2
70-79	51.5	45.6	41.3	44.3	48.4	48.4	49.1	48.2
80 or older	34.5	39.5	39.2	35.1	34.0	34.0	35.7	36.6
Sex								
Male	27.3	25.5	25.1	26.8	27.8	27.8	29.9	30.3
Female	72.6	74.5	74.9	73.2	72.2	72.2	70.1	69.7
Noncitizens	NA	9.7	19.4	30.0	27.0	27.0	29.2	28.9
Blind and Disabled								
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
18-64	80.2	77.7	80.0	83.4	83.6	83.6	83.8	83.9
65 or older	19.8	22.3	20.0	16.6	16.4	16.4	16.1	16.1
Sex ¹								
Male	39.8	40.8	42.4	41.8	41.1	41.1	44.8	45.0
Female	60.2	59.2	57.6	58.2	58.9	58.9	55.2	55.0
Noncitizens	NA	2.4	4.6	6.2	5.5	5.5	7.2	6.0
Children								
Ages	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 5	11.7	NA	NA	15.8	15.8	15.8	16.1	16.2
5-9	20.9	NA	NA	28.5	30.2	30.2	26.8	26.7
10-14	28.8	NA	NA	32.7	34.6	34.6	36.9	36.7
15-17	21.7	NA	NA	17.3	19.4	19.4	20.2	20.4
18-21 ²	16.8	14.3	9.3	5.7	—	—	—	—
Sex								
Male	NA	NA	NA	63.0	62.9	62.9	64.3	64.7
Female	NA	NA	NA	37.0	37.1	37.1	35.7	35.3

¹ For 1980-1992 male-female classification reflects all blind and disabled, both children and adults; thereafter, it is based on adults only.

² In this table, students 18-21 are classified as children prior to 1998.

Note: Data are for December of the year.

Source: Social Security Administration, *Social Security Bulletin, Annual Statistical Supplement, 2004* and prior years.

**Table SSI 7. Total SSI Payments, Federal SSI Payments and State Supplementary Payments
Calendar Year 2003**
(thousands)

State	Total	Total Federal	Federal SSI	State Supplementation	
				Federally Administered	State Administered
Total	\$35,604,829	\$34,693,278	\$30,688,029	\$4,005,249	\$911,551
Alabama	738,282	737,864	737,864	-	418
Alaska	102,312	46,650	46,650	-	55,662
Arizona	429,640	429,266	429,266	-	374
Arkansas	361,449	361,449	361,445	4	-
California	7,573,189	7,573,189	4,594,264	2,978,925	-
Colorado	333,924	245,610	245,610	-	88,314
Connecticut	332,186	244,249	244,249	-	87,937
Delaware	58,853	58,853	57,842	1,011	-
District of Columbia	104,754	104,754	101,398	3,356	-
Florida	1,927,484	1,907,671	1,907,671	-	19,813
Georgia	887,534	887,534	887,521	13	-
Hawaii	112,546	112,546	100,327	12,219	-
Idaho	98,187	90,651	90,651	-	7,536
Illinois	1,296,419	1,266,722	1,266,722	-	29,697
Indiana	444,294	440,514	440,514	-	3,780
Iowa	192,737	176,138	172,993	3,145	16,599
Kansas	169,930	169,930	169,930	-	-
Kentucky	837,776	819,136	819,136	-	18,640
Louisiana	769,164	768,662	768,662	-	502
Maine	154,958	135,931	135,931	-	19,027
Maryland	450,002	441,479	441,463	16	8,523
Massachusetts	854,601	854,601	689,082	165,519	-
Michigan	1,164,793	1,086,326	1,061,722	24,604	78,467
Minnesota	407,273	316,268	316,268	-	91,005
Mississippi	550,133	550,133	550,119	14	-
Missouri	554,337	528,033	528,033	-	26,304
Montana	63,633	63,633	62,783	850	-
Nebraska	101,570	95,263	95,263	-	6,307
Nevada	144,194	144,194	138,933	5,261	-
New Hampshire	69,594	57,997	57,997	-	11,597
New Jersey	731,586	731,586	650,405	81,181	-
New Mexico	223,135	222,902	222,902	-	233
New York	3,400,463	3,400,463	2,848,138	552,325	-
North Carolina	965,057	824,976	824,976	-	140,081
North Dakota	33,788	31,856	31,856	-	1,932
Ohio	1,203,950	1,203,950	1,203,941	9	-
Oklahoma	376,375	338,925	338,925	-	37,450
Oregon	291,441	271,165	271,165	-	20,276
Pennsylvania	1,599,027	1,599,027	1,453,656	145,371	-
Rhode Island	149,950	149,950	126,866	23,084	-
South Carolina	483,611	461,421	461,421	-	22,190
South Dakota	54,182	51,674	51,671	3	2,508
Tennessee	718,938	718,938	718,938	-	-
Texas	1,903,087	1,901,120	1,901,120	-	1,967
Utah	99,124	99,123	99,067	56	-
Vermont	57,441	57,441	49,013	8,428	-
Virginia	606,200	586,507	586,507	-	19,693
Washington	545,912	545,684	545,680	4	228
West Virginia	357,405	357,405	357,405	-	-
Wisconsin	524,654	397,850	397,850	-	126,804
Wyoming	25,537	24,850	24,850	-	687
Other: N. Mariana Islands	3,549	3,549	3,549	-	-

Source: Number of persons receiving payments obtained from Social Security Administration, Office of Research, Evaluation, and Statistics, *Social Security Bulletin, Annual Statistical Supplement, 2004*.

Table SSI 8. SSI Reciprocity Rates, by State and Program Type: 1979 and 2003
(percent)

	Total Reciprocity Rate			Rate for Adults 18-64			Rate for Adults 65 & over		
	1979	2003	Percent	1979	2003	Percent	1979	2003	Percent
			Change			Change			Change
			1979-03			1979-03			1979-03
Alabama	3.6	3.6	1	1.8	3.5	91	21.0	6.5	-69
Alaska	0.8	1.6	108	0.5	1.6	196	14.0	7.5	-47
Arizona	1.1	1.6	44	0.9	1.6	80	5.0	3.2	-36
Arkansas	3.5	3.2	-9	1.9	3.0	60	17.1	5.5	-68
California	3.0	3.3	9	2.1	2.5	22	16.4	13.3	-19
Colorado	1.1	1.2	9	0.8	1.1	43	6.7	3.1	-54
Connecticut	0.8	1.5	100	0.6	1.5	138	2.7	2.6	-4
Delaware	1.2	1.6	34	0.9	1.5	60	5.4	2.3	-58
District of Columbia	2.3	3.6	58	1.9	3.1	61	8.6	6.5	-24
Florida	1.8	2.4	35	1.1	1.9	67	6.2	4.7	-24
Georgia	2.9	2.3	-20	1.9	2.1	11	17.7	6.5	-63
Hawaii	1.1	1.7	62	0.7	1.5	117	7.6	5.0	-34
Idaho	0.8	1.5	90	0.6	1.6	150	3.8	1.9	-50
Illinois	1.1	2.0	85	1.0	2.0	111	4.3	3.8	-11
Indiana	0.8	1.5	100	0.6	1.6	162	3.3	1.7	-49
Iowa	0.9	1.4	57	0.6	1.6	158	3.5	1.7	-51
Kansas	0.9	1.4	57	0.6	1.5	138	3.5	1.9	-45
Kentucky	2.5	4.3	69	1.8	4.5	151	12.5	6.9	-45
Louisiana	3.4	3.7	10	2.0	3.5	72	20.1	7.5	-63
Maine	2.0	2.4	23	1.4	2.7	94	8.6	3.0	-65
Maryland	1.2	1.7	48	0.9	1.5	60	5.4	4.0	-26
Massachusetts	2.2	2.6	16	1.3	2.5	95	10.8	5.6	-48
Michigan	1.3	2.2	75	1.1	2.3	115	5.9	2.9	-50
Minnesota	0.8	1.4	73	0.6	1.4	155	3.7	2.6	-30
Mississippi	4.5	4.4	-2	2.4	4.0	65	26.0	9.6	-63
Missouri	1.8	2.0	14	1.1	2.1	91	7.9	2.8	-65
Montana	0.9	1.6	80	0.7	1.7	136	3.8	2.0	-47
Nebraska	0.9	1.3	48	0.6	1.4	119	3.4	1.7	-50
Nevada	0.8	1.4	67	0.5	1.2	126	5.9	3.3	-44
New Hampshire	0.6	1.0	72	0.4	1.1	150	2.5	1.2	-53
New Jersey	1.1	1.7	49	0.9	1.5	74	4.7	4.5	-4
New Mexico	2.0	2.7	37	1.4	2.5	82	12.4	6.9	-44
New York	2.1	3.3	56	1.6	2.7	70	8.3	9.0	9
North Carolina	2.4	2.3	-4	1.6	2.1	33	13.6	5.1	-63
North Dakota	1.0	1.3	31	0.6	1.3	128	5.1	2.1	-58
Ohio	1.1	2.1	89	1.0	2.3	132	4.2	2.4	-42
Oklahoma	2.3	2.1	-9	1.3	2.2	65	11.6	3.6	-69
Oregon	0.9	1.6	86	0.7	1.7	143	3.3	2.7	-18
Pennsylvania	1.4	2.5	79	1.1	2.6	132	5.0	3.4	-31
Rhode Island	1.6	2.7	70	1.1	2.7	150	6.4	4.9	-24
South Carolina	2.7	2.5	-7	1.8	2.3	29	17.0	5.2	-69
South Dakota	1.1	1.6	40	0.7	1.6	122	5.0	2.9	-42
Tennessee	2.9	2.8	-2	1.9	2.7	44	14.8	5.3	-64
Texas	1.9	2.1	11	1.0	1.7	79	12.7	7.4	-42
Utah	0.6	0.9	64	0.5	1.0	96	3.0	1.8	-41
Vermont	1.8	2.1	19	1.3	2.2	68	8.1	3.4	-58
Virginia	1.5	1.8	20	1.0	1.6	57	8.5	4.4	-48
Washington	1.2	1.8	55	1.0	1.8	84	4.8	3.6	-25
West Virginia	2.1	4.2	97	1.9	4.8	158	8.0	4.5	-43
Wisconsin	1.4	1.6	11	1.0	1.7	77	6.5	2.3	-65
Wyoming	0.4	1.1	162	0.3	1.2	314	2.7	1.5	-45
Total	1.9	2.4	30	1.3	2.2	75	9.0	5.5	-39

Note: Reciprocity rates for 2002 are the ratios of the number of SSI recipients (in the respective age groups) as of the month of December to the estimated population in the respective age group as of the month of July; calculations by DHHS. The 1979 rates are based on the average number of recipients during the year. The total reciprocity rate includes both children and adults.

Source: Social Security Administration, *Supplemental Security Income, Annual Statistical Report, 2003* and U.S. Bureau of the Census, (Resident population by state available online at <http://www.census.gov/population/estimates/state/>).

Table SSI 9. SSI Reciprocity Rates, by State: Selected Fiscal Years 1975–2003
(percent)

	1975	1980	1985	1990	1994 ²	1998 ²	2002 ²	2003 ²
Alabama	4.0	3.4	3.3	3.3	3.8	3.8	3.6	3.6
Alaska	0.8	0.8	0.7	0.8	1.1	1.3	1.5	1.6
Arizona	1.2	1.1	1.0	1.2	1.7	1.7	1.6	1.6
Arkansas	4.1	3.4	3.1	3.2	3.8	3.5	3.1	3.2
California	3.1	3.0	2.6	2.9	3.2	3.2	3.2	3.3
Colorado	1.4	1.0	0.9	1.1	1.5	1.4	1.2	1.2
Connecticut	0.8	0.8	0.8	1.0	1.3	1.4	1.5	1.5
Delaware	1.2	1.2	1.2	1.2	1.5	1.6	1.6	1.6
District of Columbia	2.2	2.4	2.5	2.7	3.5	3.8	3.5	3.6
Florida	1.9	1.8	1.6	1.7	2.3	2.4	2.4	2.4
Georgia	3.3	2.8	2.6	2.5	2.8	2.6	2.3	2.3
Hawaii	1.1	1.1	1.1	1.3	1.5	1.6	1.7	1.7
Idaho	1.1	0.8	0.8	1.0	1.4	1.4	1.4	1.5
Illinois	1.2	1.1	1.2	1.6	2.2	2.1	2.0	2.0
Indiana	0.8	0.8	0.9	1.1	1.5	1.5	1.5	1.5
Iowa	1.0	0.9	1.0	1.2	1.4	1.4	1.4	1.4
Kansas	1.1	0.9	0.9	1.0	1.4	1.4	1.4	1.4
Kentucky	2.8	2.6	2.7	3.1	4.1	4.4	4.3	4.3
Louisiana	3.9	3.2	2.9	3.2	4.1	4.0	3.7	3.7
Maine	2.3	1.9	1.9	1.9	2.4	2.3	2.4	2.4
Maryland	1.2	1.1	1.2	1.3	1.6	1.7	1.6	1.7
Massachusetts	2.3	2.2	1.9	2.0	2.6	2.7	2.6	2.6
Michigan	1.3	1.2	1.4	1.5	2.2	2.2	2.1	2.2
Minnesota	1.0	0.8	0.8	0.9	1.3	1.3	1.3	1.4
Mississippi	5.2	4.4	4.3	4.4	5.2	4.9	4.4	4.4
Missouri	2.1	1.7	1.6	1.7	2.1	2.1	2.0	2.0
Montana	1.1	0.9	0.9	1.3	1.6	1.6	1.6	1.6
Nebraska	1.1	0.9	0.9	1.0	1.3	1.3	1.3	1.3
Nevada	1.0	0.8	0.9	1.0	1.3	1.3	1.3	1.4
New Hampshire	0.7	0.6	0.6	0.6	0.8	1.0	1.0	1.0
New Jersey	1.1	1.2	1.2	1.4	1.8	1.8	1.7	1.7
New Mexico	2.3	1.9	1.8	2.1	2.6	2.6	2.6	2.7
New York	2.2	2.1	2.0	2.3	3.1	3.3	3.3	3.3
North Carolina	2.7	2.4	2.2	2.2	2.6	2.6	2.3	2.3
North Dakota	1.3	1.0	1.0	1.2	1.4	1.3	1.3	1.3
Ohio	1.2	1.1	1.2	1.4	2.1	2.2	2.1	2.1
Oklahoma	3.0	2.2	1.8	1.9	2.2	2.2	2.1	2.1
Oregon	1.1	0.8	1.0	1.1	1.5	1.5	1.6	1.6
Pennsylvania	1.2	1.4	1.4	1.6	2.1	2.3	2.4	2.5
Rhode Island	1.7	1.6	1.6	1.7	2.3	2.6	2.7	2.7
South Carolina	2.8	2.7	2.6	2.6	3.0	2.9	2.6	2.5
South Dakota	1.3	1.2	1.2	1.5	1.8	1.8	1.7	1.6
Tennessee	3.2	2.8	2.7	2.9	3.4	3.1	2.8	2.8
Texas	2.2	1.8	1.6	1.7	2.1	2.1	2.0	2.1
Utah	0.8	0.5	0.5	0.7	1.0	1.0	0.9	0.9
Vermont	1.9	1.7	1.8	1.8	2.2	2.1	2.1	2.1
Virginia	1.5	1.5	1.5	1.5	1.9	2.0	1.8	1.8
Washington	1.5	1.1	1.1	1.3	1.6	1.7	1.7	1.8
West Virginia	2.4	2.1	2.2	2.6	3.5	3.9	4.1	4.2
Wisconsin	1.4	1.4	1.5	1.8	2.2	1.7	1.6	1.6
Wyoming	0.7	0.4	0.5	0.8	1.2	1.2	1.1	1.1
Total¹	2.0	1.8	1.7	1.9	2.4	2.4	2.4	2.4

¹ The number of SSI recipients used to calculate the total reciprocity rate includes a certain number of recipients whose State is unknown. For 1975, 1985, and 1992, the numbers of unknown (in thousands) were 256, 14, and 71 respectively.

² For 1975-92 the percentages are calculated as the average number of monthly SSI recipients over the total population of each State in July of that year. For 1994-2003 the number of recipients is from the month of December; calculations by DHHS.

Source: Social Security Administration, *Supplemental Security Income, Annual Statistical Report, 2004*, and U.S. Bureau of the Census, (Resident population by state available online at <http://www.census.gov/population/estimates/state/>).

Appendix B

Alternative Definition of Dependence Based on Income from TANF and Food Stamps

Appendix B. Alternative Definition of Dependence Based on Income from TANF and Food Stamps

As directed by the Welfare Indicators Act of 1994 (Pub. L. 103-432), this annual report on *Indicators of Welfare Dependence* focuses on dependence on three programs: the Aid to Families with Dependent Children (AFDC) program, now Temporary Assistance for Needy Families (TANF); the Food Stamp Program; and the Supplemental Security Income (SSI) program. The summary measure of dependence proposed by the Advisory Board includes income from all three programs in its definition:

A family is dependent on welfare if more than 50 percent of its total income in a one-year period comes from AFDC, food stamps and/or SSI, and this welfare income is not associated with work activities.

This appendix examines an alternative definition of dependence that considers TANF and food stamps alone, excluding SSI. As shown in Table B-1, the rate of dependency would have been much lower – only 1.5 percent – in 2002 if based on income from TANF and food stamps, as opposed to 3.2 percent when counting income from all three programs (TANF, food stamps, and SSI).

There also is significant variation across age groups in the programs upon which individuals are dependent. The elderly depend more on SSI than on TANF and food stamps; whereas 2.0 percent of elderly persons are dependent when counting the three major types of means-tested assistance, very few, 0.1 percent, are dependent when the definition is limited to TANF and food stamps. In contrast, children are primarily dependent on TANF and food stamps.

Dependency from AFDC/TANF and food stamp receipt has declined since 1995, while dependency from SSI receipt alone has remained stable, as shown in Table B-2. As a result, the difference between the standard definition (based on all three programs) and the alternative definition (based on TANF and food stamps only) has grown. In 1995, over two-thirds (68 percent) of individuals who were dependent under the standard definition also were dependent under the alternative definition shown in this appendix. By 2002, the proportion had dropped to less than half (47 percent). If this report had focused on the alternative definition of dependence, it would have shown an even larger decline in dependence than usually reported. For example, between 1995 and 2002, dependency declined by 58 percent (3.6 percent to 1.5 percent) under the alternative definition, compared to a decline of 40 percent (5.3 percent to 3.2 percent) under the standard definition.

Table B-1. Percentage of the Total Population with More than 50 Percent of Income from Various Means-Tested Assistance Programs, by Race and Age: 2002

	TANF, SSI & Food Stamps	TANF & Food Stamps	SSI Only
All Persons	3.2	1.5	1.3
Racial/Ethnic Categories			
Non-Hispanic White	1.8	0.7	0.9
Non-Hispanic Black	8.7	4.3	3.3
Hispanic	4.9	2.6	1.6
Age Categories			
Children Ages 0-5	6.0	4.0	1.2
Children Ages 6-10	5.1	3.2	1.2
Children Ages 11-15	4.0	2.2	1.1
Women Ages 16-64	3.4	1.5	1.5
Men Ages 16-64	2.0	0.7	1.1
Adults Ages 65 and over	2.0	0.1	1.6

Note: Income is measured as total family income.

Persons of Hispanic ethnicity may be of any race. Beginning in 2002, estimates for Whites and Blacks are for persons reporting a single race only. Persons who reported more than one race are included in the total for all persons but are not shown under any race category. Due to small sample size, American Indians/Alaska Natives, Asians and Native Hawaiians/Other Pacific Islanders are included in the total for all persons but are not shown separately.

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 2003, analyzed using the TRIM3 microsimulation model.

Table B-2. Percentage of the Total Population with More than 50 Percent of Income from Various Means-Tested Assistance Programs: 1998-2002

	TANF, SSI & Food Stamps	TANF & Food Stamps	SSI Only
1995	5.3	3.6	1.1
1998	3.8	2.1	1.3
1999	3.3	1.7	1.2
2000	3.0	1.5	1.2
2001	3.1	1.4	1.3
2002	3.2	1.5	1.3

Source: Unpublished tabulations from the Current Population Survey, Annual Social and Economic Supplement, 1996-2003, analyzed using the TRIM3 microsimulation model.

Appendix C

Additional Nonmarital Birth Data

Appendix C. Additional Nonmarital Birth Data

**Table C-1. Percentage of Births that are Nonmarital within Age Groups, by Race and Ethnicity
1940-2002**

	White				Black ¹				Hispanic ²			
	Total Teens ³	Ages 15 - 17	Ages 18 - 19	Total Women	Total Teens	Ages 15 - 17	Ages 18 - 19	Total Women	Total Teens	Ages 15 - 17	Ages 18 - 19	Total Women
1940	7	–	–	2	36	–	–	17	–	–	–	–
1945	10	–	–	2	41	–	–	18	–	–	–	–
1950	6	10	5	2	37	48	28	18	–	–	–	–
1955	7	10	5	2	42	52	33	20	–	–	–	–
1960	7	12	5	2	43	54	34	22	–	–	–	–
1965	12	17	9	4	51	63	39	26	–	–	–	–
1970	17	25	14	6	64	76	52	38	–	–	–	–
1975	23	33	17	7	78	87	68	49	–	–	–	–
1980	34	45	27	11	86	93	80	56	42	51	36	24
1985	45	58	38	15	91	96	86	61	–	61	46	30
1990	57	68	51	20	92	96	89	67	62	68	54	37
1991	59	70	53	22	93	96	90	68	64	69	56	38
1992	61	71	55	23	93	96	90	68	65	69	57	39
1993	63	72	57	24	93	96	91	69	66	69	58	40
1994	68	78	62	25	95	98	93	70	73	77	65	43
1995	68	77	62	25	95	98	93	70	71	75	62	41
1996	69	79	63	26	96	98	94	70	71	75	63	41
1997	71	82	65	26	96	98	94	69	76	80	66	41
1998	72	83	67	26	96	98	94	69	77	82	67	42
1999	73	83	67	27	96	98	94	69	76	82	67	42
2000	73	83	68	27	96	99	94	68	76	82	67	43
2001	73	83	68	28	96	99	94	68	75	81	67	42
2002	75	85	70	28	96	99	94	68	77	83	69	44

Note: Trends in nonmarital births may be affected by changes in the reporting of marital status on birth certificates and in procedures for inferring nonmarital births when marital status is not reported. In particular, the increases from 1993 to 1994 to a great extent reflect improvements in the completeness of reporting of nonmarital births in two states, Michigan and Texas.

¹ From 1940 to 1965, percentages of births to unmarried Black women (shown in italics) include all unmarried Non-white.

² Persons of Hispanic origin may be of any race. Data for Hispanics have been available only since 1980, with 22 states reporting in 1980, representing 90 percent of the Hispanic population. Hispanic birth data were reported by 23 states and the District of Columbia in 1985; 48 states and the District of Columbia in 1990; 49 states and the District of Columbia in 1991 and 1992; and all 50 states and the District of Columbia since 1993.

³ Births to teens under 15 are included in the percentages for Total Teens but are not shown separately.

Source: National Center for Health Statistics, “Births of Hispanic Parentage, 1980,” *Monthly Vital Statistics Report*, Vol. 32, No. 6 Supplement; “Births of Hispanic Parentage, 1985,” *Monthly Vital Statistics Report*, Vol. 36, No. 11 Supplement; “Nonmarital Childbearing in the United States, 1940 - 1999,” National Vital Health Statistics Reports, Vol. 48 (16); “Births: Final Data for 2002,” National Vital Statistics Reports, Vol. 52 (10), and earlier reports. Additional calculations by ASPE staff.

**Table C-2. Percentage of Births that are Nonmarital, by State: Selected Years
1960-2002**

	1960	1970	1980	1990	1992	1994	1996	2000	2002
Alabama	11	14	22	30	33	34	34	34	35
Alaska	5	9	16	26	27	29	31	33	34
Arizona	NA	9	19	33	36	38	39	39	40
Arkansas	NA	13	20	29	31	33	34	36	37
California	NA	NA	21	32	34	36	31	33	33
Colorado	NA	9	13	21	24	25	25	25	27
Connecticut	NA	NA	18	27	29	30	31	29	29
Delaware	9	15	24	29	33	35	35	38	41
Dist of Columbia	20	38	56	65	67	69	66	60	57
Florida	9	14	23	32	34	36	36	38	39
Georgia	NA	NA	23	33	35	36	35	37	38
Hawaii	5	10	18	25	26	28	30	32	34
Idaho	NA	NA	8	17	18	19	21	22	22
Illinois	6	13	23	32	33	34	34	35	35
Indiana	4	8	16	26	29	32	32	35	36
Iowa	2	7	10	21	24	25	26	28	29
Kansas	3	7	12	22	24	26	27	29	31
Kentucky	5	8	15	24	26	28	30	31	33
Louisiana	9	15	23	37	40	43	43	46	47
Maine	3	7	14	23	25	28	29	31	33
Maryland	NA	NA	25	30	30	34	34	35	35
Massachusetts	NA	NA	16	25	26	27	25	27	27
Michigan	4	11	16	26	27	35	34	33	34
Minnesota	3	8	11	21	23	24	25	26	27
Mississippi	14	17	28	40	43	45	45	46	47
Missouri	6	11	18	29	32	33	33	35	35
Montana	NA	NA	13	24	26	26	28	31	33
Nebraska	NA	8	12	21	23	25	25	27	29
Nevada	4	11	13	25	33	35	43	36	37
New Hampshire	NA	6	11	17	19	22	23	25	25
New Jersey	4	10	21	24	26	28	28	29	29
New Mexico	NA	NA	16	35	39	42	42	46	47
New York	NA	NA	24	33	35	38	40	37	36
North Carolina	9	12	19	29	31	32	32	33	35
North Dakota	3	7	9	18	23	23	25	28	29
Ohio	4	NA	18	29	32	33	33	35	35
Oklahoma	NA	8	14	25	28	30	31	34	36
Oregon	3	7	15	26	27	29	30	30	31
Pennsylvania	4	10	18	29	32	33	32	33	33
Rhode Island	3	7	16	26	30	32	33	35	36
South Carolina	12	15	23	33	35	37	37	40	40
South Dakota	3	7	13	23	27	28	30	33	35
Tennessee	9	12	20	30	33	33	33	35	36
Texas	5	9	13	18	17	29	30	31	32
Utah	2	4	6	14	15	16	16	17	17
Vermont	NA	NA	14	20	23	25	26	28	32
Virginia	8	11	19	26	28	29	29	30	30
Washington	3	9	14	24	25	26	27	28	29
West Virginia	6	6	13	25	28	30	31	32	33
Wisconsin	3	8	14	24	26	27	27	29	30
Wyoming	2	7	8	20	24	27	27	29	30
United States	5	11	18	28	30	33	32	33	34

Source: National Center for Health Statistics, "Births: Final Data for 2002," *National Vital Statistics Reports*, Vol. 52 (10), December 2003 and earlier reports available online at (<http://www.cdc.gov/nchs/products/pubs/pubd/vsus/1963/1963.htm>).

**Table C-3. Percentage of Births that are Nonmarital, by Race/Ethnicity and State
1994 and 2002**

State	All Races		White				Black		Hispanic	
	1994	2002	Total		Non-Hispanic		1994	2002	1994	2002
			1994	2002	1994	2002				
Alabama	35	35	16	20	16	19	71	68	19	25
Alaska	29	34	21	24	21	23	39	43	29	41
Arizona	38	40	35	38	25	25	65	62	51	52
Arkansas	33	37	20	28	20	27	74	76	31	37
California	36	33	36	34	23	20	63	63	46	42
Colorado	25	27	23	26	18	18	57	54	44	41
Connecticut	31	29	24	25	18	16	70	66	65	61
Delaware	35	41	23	32	22	28	74	70	50	56
Dist. of Columbia	69	57	15	26	10	8	80	77	59	58
Florida	36	39	26	32	24	28	69	67	34	40
Georgia	36	38	18	25	18	21	68	66	23	43
Hawaii	28	34	16	17	15	17	20	19	44	44
Idaho	19	22	18	21	17	19	40	33	25	36
Illinois	34	35	23	27	18	21	79	77	38	43
Indiana	32	36	26	32	26	30	78	76	42	50
Iowa	25	29	23	28	23	27	75	74	37	41
Kansas	26	31	22	28	21	26	66	68	39	43
Kentucky	28	33	23	29	23	29	73	73	25	44
Louisiana	43	47	21	27	21	27	72	75	30	33
Maine	28	33	28	33	28	33	47	34	23	36
Maryland	34	35	19	24	18	21	64	59	39	45
Massachusetts	27	27	23	24	19	19	63	59	62	62
Michigan	35	34	24	26	23	25	79	74	42	42
Minnesota	24	27	21	24	20	21	73	58	46	51
Mississippi	45	47	18	24	18	24	75	76	21	42
Missouri	33	35	24	29	24	28	79	76	34	45
Montana	26	33	20	28	20	27	28	§	30	41
Nebraska	25	29	21	26	20	23	74	66	39	42
Nevada	35	37	31	35	27	28	70	70	44	44
New Hampshire	22	25	22	25	21	24	34	43	37	36
New Jersey	28	29	19	24	13	14	67	64	48	53
New Mexico	42	47	37	44	23	27	61	57	49	54
New York	38	36	29	30	19	18	70	66	61	60
North Carolina	32	35	18	25	17	20	68	66	29	48
North Dakota	23	29	19	24	19	23	24	36	26	40
Ohio	33	35	25	29	25	28	78	75	50	50
Oklahoma	30	36	23	31	23	29	70	70	31	42
Oregon	29	31	28	31	27	28	71	61	35	42
Pennsylvania	33	33	25	27	23	24	79	75	63	61
Rhode Island	32	36	28	32	24	26	69	63	58	59
South Carolina	37	40	19	25	19	23	67	72	28	43
South Dakota	28	35	20	26	20	26	21	38	33	49
Tennessee	33	36	21	27	21	25	75	73	26	46
Texas	29	32	24	30	18	22	63	62	31	36
Utah	16	17	15	16	13	13	45	47	37	38
Vermont	25	32	25	32	25	32	33	59	34	§
Virginia	29	30	19	22	18	20	64	62	38	40
Washington	26	29	24	28	23	25	55	53	35	42
West Virginia	30	33	29	32	29	32	76	72	22	35
Wisconsin	27	30	21	24	20	22	82	82	46	46
Wyoming	28	30	26	29	25	27	46	52	45	43
United States	33	34	25	29	21	23	70	68	43	44

§ Figure does not meet standards of reliability or precision; based on fewer than 20 births in the numerator.

Note: Persons of Hispanic ethnicity may be of any race.

Source: National Center for Health Statistics, "Births: Final Data for 2002," *National Vital Statistics Reports*, Vol. 52 (10), December 2003 and earlier reports available online at (<http://www.cdc.gov/nchs/products/pubs/pubd/vsus/1963/1963.htm>).

Table C-4. Birth Rates of Teens 15-19 Years, by State: Selected Years 1960-2002

(births per 1,000 women in specified group)

State	1960	1970	1975	1980	1985	1990	1995	2000	2002
Alabama	104	90	78	68	64	71	69	61	55
Alaska	128	103	60	64	56	65	55	49	40
Arizona	112	79	67	65	67	76	74	68	61
Arkansas	116	93	84	75	73	80	72	66	60
California	103	69	52	53	53	71	67	47	41
Colorado	97	67	51	50	48	55	52	51	47
Connecticut	54	44	32	31	31	39	39	31	26
Delaware	100	73	49	51	51	55	55	48	46
Dist. of Columbia	132	116	73	62	72	93	85	53	69
Florida	117	86	64	59	58	69	60	51	45
Georgia	117	101	78	72	68	76	70	63	56
Hawaii	77	66	52	51	48	61	49	46	38
Idaho	102	66	59	59	47	51	49	43	39
Illinois	63	63	56	56	51	63	58	48	42
Indiana	100	75	64	57	52	59	57	49	45
Iowa	73	53	46	43	35	41	38	34	33
Kansas	94	65	57	57	52	56	52	46	43
Kentucky	108	86	78	72	63	68	62	55	51
Louisiana	113	84	79	76	72	74	70	62	58
Maine	93	65	55	47	42	43	34	29	25
Maryland	100	69	46	43	46	53	47	41	35
Massachusetts	51	40	31	28	29	35	33	26	23
Michigan	80	69	52	45	43	59	49	40	35
Minnesota	64	44	36	35	31	36	33	30	28
Mississippi	121	103	92	84	76	81	79	70	65
Missouri	99	72	59	58	54	63	55	49	44
Montana	97	62	54	48	44	48	42	37	36
Nebraska	82	54	45	45	40	42	38	38	37
Nevada	118	94	60	59	55	73	73	63	54
New Hampshire	76	55	41	34	32	33	30	23	20
New Jersey	58	50	37	35	34	41	38	32	27
New Mexico	127	79	67	72	73	78	74	66	62
New York	57	51	38	35	36	44	42	33	30
North Carolina	104	88	72	58	57	68	63	59	52
North Dakota	68	44	43	42	36	35	33	27	27
Ohio	84	65	56	52	50	58	53	46	40
Oklahoma	112	83	76	75	69	67	64	60	58
Oregon	88	58	48	51	43	55	50	43	37
Pennsylvania	67	53	44	41	40	45	41	34	32
Rhode Island	56	43	35	33	36	44	40	34	36
South Carolina	109	89	73	65	63	71	63	58	53
South Dakota	83	49	51	53	46	47	41	38	38
Tennessee	103	88	74	64	61	72	67	60	54
Texas	115	85	74	74	72	75	76	69	64
Utah	86	56	54	65	50	49	41	38	37
Vermont	74	54	43	39	36	34	28	23	24
Virginia	103	76	53	48	46	53	48	41	38
Washington	88	60	46	47	45	53	48	39	33
West Virginia	87	72	73	68	54	57	53	47	46
Wisconsin	64	46	41	40	39	43	38	35	32
Wyoming	112	71	68	79	59	56	48	42	40
United States	89	68	56	53	51	60	56	48	43

Source: National Center for Health Statistics, "Births: Final Data for 2002," National Vital Statistics Reports, Vol. 52 (10), December 2003 and earlier reports available online at (<http://www.cdc.gov/nchs/products/pubs/pubd/vsus/1963/1963.htm>).

Table C-5. Birth Rates of Teens 15-19 Years, by Race, Ethnicity and State: Selected Years 1990-2002
(births per 1,000 women in specified group)

State	All Races			Non-Hispanic White			Non-Hispanic Black			Hispanic		
	1990	1996	2002	1990	1996	2002	1990	1996	2002	1990	1996	2002
Alabama	71	67	55	55	53	45	106	95	70	34	76	145
Alaska	65	51	40	53	38	27	§	61	40	§	86	99
Arizona	76	72	61	51	45	32	124	81	58	123	120	109
Arkansas	80	74	60	66	63	51	132	107	82	§	106	116
California	71	61	41	43	32	19	109	81	44	112	99	71
Colorado	55	51	47	39	34	26	112	82	57	111	106	119
Connecticut	39	37	26	20	19	12	108	80	51	122	101	84
Delaware	55	54	46	35	33	27	121	109	84	§	106	143
Dist. of Columbia	93	79	69	11	7	6	123	115	106	89	78	110
Florida	69	57	45	51	43	32	138	96	69	60	60	56
Georgia	76	67	56	56	51	39	117	93	71	73	104	153
Hawaii	61	49	38	38	25	12	§	45	33	133	99	85
Idaho	51	47	39	46	41	33	§	§	§	119	103	88
Illinois	63	55	42	37	31	22	146	115	83	95	98	85
Indiana	59	55	45	52	49	38	124	107	83	65	81	98
Iowa	41	37	33	38	34	28	119	101	84	80	101	111
Kansas	56	49	43	49	41	34	135	106	76	86	101	100
Kentucky	68	61	51	64	58	49	116	98	70	§	70	92
Louisiana	74	67	58	53	48	42	113	97	83	21	44	35
Maine	43	32	25	43	32	25	§	§	§	§	§	§
Maryland	53	46	35	36	30	21	97	78	59	46	54	74
Massachusetts	35	31	23	24	21	14	94	68	47	121	101	81
Michigan	59	46	35	41	35	26	132	95	68	94	84	72
Minnesota	36	32	28	30	25	18	156	112	82	79	107	118
Mississippi	81	74	65	56	51	49	113	101	82	§	28	80
Missouri	63	53	44	50	45	37	145	107	81	46	70	100
Montana	48	39	36	39	32	29	§	§	§	§	85	§
Nebraska	42	39	37	35	31	26	137	102	95	82	110	135
Nevada	73	70	54	61	52	32	133	107	81	108	115	98
New Hampshire	33	28	20	NA	27	19	NA	§	§	NA	66	§
New Jersey	41	35	27	19	15	10	105	82	56	80	71	67
New Mexico	78	71	62	51	45	32	100	65	44	97	90	84
New York	44	40	30	25	23	17	86	69	48	82	73	58
North Carolina	68	62	52	51	47	37	107	90	68	106	127	164
North Dakota	35	32	27	29	26	20	§	§	§	§	§	§
Ohio	58	50	40	47	42	32	130	101	80	74	79	79
Oklahoma	67	63	58	NA	56	50	NA	91	72	NA	88	110
Oregon	55	51	37	51	44	29	112	89	48	114	116	98
Pennsylvania	45	38	32	32	27	22	128	98	78	126	109	95
Rhode Island	44	39	36	32	26	21	137	87	66	130	104	107
South Carolina	71	60	53	54	46	41	101	83	67	67	64	133
South Dakota	47	40	38	35	30	26	§	§	§	§	§	§
Tennessee	72	65	54	61	55	45	122	100	79	41	81	153
Texas	75	73	64	49	46	36	117	93	72	104	105	100
Utah	49	41	37	44	36	29	§	67	32	115	107	109
Vermont	34	30	24	35	30	24	§	§	§	§	§	§
Virginia	53	45	38	40	35	27	100	77	63	56	62	76
Washington	53	46	33	47	38	25	98	72	42	113	105	90
West Virginia	57	51	46	57	50	46	74	77	49	§	§	§
Wisconsin	43	37	32	30	25	21	177	132	104	90	97	107
Wyoming	56	45	40	51	40	35	§	§	§	94	77	68
United States	60	54	43	43	38	29	116	92	68	100	95	83

§ Rates not deemed to be reliable due to small number of births or number of women in the group.

Note: Women of Hispanic origin may be of any race.

Source: National Center for Health Statistics, "Trends in Characteristics of Births by State: United States, 1990, 1995, 2000-2002," *National Vital Statistics Reports*, Vol. 52 (19), May 2004.

Appendix D
Technical Notes

Appendix D. Technical Notes

Age Categories

Most of the indicators are shown by age categories, generally children ages 0-15, adults 16-64, and adults 65 and older. Youth 17 and 18 years of age are often classified with adults because they are considered potential members of the labor force in many labor force statistics. Many of the risk factors, however, use published data that define “children” to include all individuals less than 18 years of age.

Annual and Monthly Measures

There are differences between monthly and annual observation of benefit receipt. The measures of annual reciprocity (that is, any receipt over the course of a year) shown in Figure and Table SUM 1 are higher than the more traditional measures of reciprocity in an average month, as shown in several other indicators.

Note that annual measures are for calendar years except where explicitly noted as fiscal years.

Race and Ethnicity

Most of the data sources allow analysis of the indicators and predictors of welfare dependence across several age and racial/ethnic categories. Where the data are available, statistics are shown for three racial/ethnic groups – Non-Hispanic White, Non-Hispanic Black, and Hispanic. Due to small sample size, American Indians/Alaska Natives, Asians, and Native Hawaiians/Other Pacific Islanders are included in the totals for all persons but are not shown under separate race categories. In some instances, however, data are shown for “Whites” and “Blacks,” rather than for “Non-Hispanic Whites” and “Non-Hispanic Blacks;” in such cases these racial categories include individuals of Hispanic Origin. Footnotes to the tables provide further documentation of issues related to race and ethnicity.

Estimates based on 2002 (and more recent) CPS data are affected by a change in the CPS questionnaire that allows individuals to report one or more races. This change was implemented to comply with the *1997 Standards for Federal Data on Race and Ethnicity*. In 2000, the Office of Management and Budget published guidelines for implementing these new standards. To accommodate the race categories under the new standards, CPS estimates for racial/ethnic categories beginning in 2002 are for persons who are non-Hispanic white (and no other race), non-Hispanic black (and no other race) and Hispanic (of any race). Persons who reported more than one race are included in the total for all persons but are not shown under any race category.

Family Structure Categories

For the primary measure of dependency in this 2005 report, estimates are provided for individual persons by family structure (see SUM1 and IND1). For these measures, the entire population is subdivided into the following four groups:

- individuals in married-couple families
- individuals in female-headed families, no spouse present
- individuals in male-headed families, no spouse present
- unrelated individuals.

Spells

Spells of dependency (Indicator 7) and recipiency (Indicator 8) are limited to those spells that begin during the SIPP panel of observation. Spells separated by only 1 month are not considered separate spells. If an individual has 2 or more spells of dependency or receipt, each is counted separately in the analysis.

Unit of Analysis

The individual, rather than the family or household, is the unit of analysis for most of the statistics in this report. The individual's dependency status, however, is generally based on total family income, taking into account means-tested assistance, earnings and other sources of income for all individuals in the family.¹ The introductory chapter of this report, for example, shows the percentage of individuals that are dependent (in SUM 1) or poor (in SUM 2) according to annual total family income. Recipiency status is also based on total annual family income in some instances; in SUM 1, for example, recipients are individuals in families receiving assistance at some point in the year. In most other indicators, recipiency is measured as the direct receipt of a benefit by an individual in a month. The difference between an individual and a family measure of recipiency is largest in the SSI program, which provides benefits to individuals and couples, not to families.

¹ Family is generally defined as following the broad Census Bureau definition of family – all persons residing together that are related by birth, marriage, or adoption.