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*WELFARE REFORM: FAMILY CAPS IN THE
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES
PROGRAM*

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Updated July 23, 1998

Abstract. This report examines family cap policies implemented by states under the Temporary Assistance for Needy Families (TANF) block grant program. Most of the 22 states that have implemented a family cap policy stipulate that no additional TANF benefits will be provided for children born to a woman who is already receiving TANF benefits. This report describes family cap policies of the states and their plans to reduce nonmarital births, provides some background on the family cap approach, discusses findings from a couple of studies on the effect of family caps on childbearing, and describes some of the legal issues concerning family caps. In addition, it provides a detailed discussion of family cap policies and nonmarital birth strategies for each of the 22 states. It also presents three tables that show the effect of a TANF family cap on combined TANF and food stamp benefits, by state, for a mother who has a second child after enrollment in TANF, and for one who has a third child after enrollment in TANF.

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Welfare Reform: Family Caps in the Temporary Assistance for Needy Families Program

Updated July 23, 1998

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ABSTRACT

This report examines family cap policies implemented by states under the Temporary Assistance for Needy families (TANF) block grant program. Most of the 22 states that have implemented a family cap policy stipulate that no additional TANF benefits will be provided for children born to a woman who is already receiving TANF benefits. This report describes family cap policies of the states and their plans to reduce nonmarital births, provides some background on the family cap approach, discusses findings from a couple of studies on the effect of family caps on childbearing, and describes some of the legal issues concerning family caps. In addition, it provides a detailed discussion of family cap policies and nonmarital birth strategies for each of the 22 states (Appendix A). It also presents three tables (in Appendix B) that show the effect of a TANF family cap on combined TANF and food stamp benefits, by state (for the states with a TANF family cap rule), for a mother who has a second child after enrollment in TANF; and for one who has a third child after enrollment in TANF. This report will not be updated unless there is a significant change in the way most states are implementing the family cap policy or there is a significant increase in the number of states operating a family cap policy.

Welfare Reform: Family Caps in the Temporary Assistance for Needy Families Program

Summary

P.L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), signaled the end of an era. No longer would income-eligible single-parent families be guaranteed cash welfare benefits. Under the new system, federal funds are sent to the states in the form of block grants, giving states almost complete control over program eligibility and benefits.

Under the prior program of Aid to Families with Dependent Children (AFDC), a family generally automatically received increased benefits when an additional child was born into the family unit. Concerned about the growth in non-marital births and mounting welfare costs, early versions of the welfare reform legislation included a measure to deny benefit increases under AFDC for children born to mothers already receiving benefits. This feature became known as the “family cap.”

AFDC law required states to obtain a waiver in order to implement a family cap policy. PRWORA, enacted into law on August 22, 1996, replaced the AFDC program with a Temporary Assistance for Needy Families (TANF) block grant. States were given until July 1, 1997 to implement TANF, and no longer had to apply for waivers from the federal government to implement family cap policies.

P.L. 104-193 was silent on the issue of family caps, and thus allowed for variations in the implementation of such measures. States have subsequently approved several versions of the family cap. Since New Jersey became the first state to enact a family cap measure in January 1992, 21 other states have followed. An analysis of the effects of a family cap on TANF recipients illustrates that benefits are lower, in comparison to what would have been available under prior law, by varying degrees depending on the state. This lower amount of cash aid is partially offset by an increase in food stamp benefits.

Research completed to date on the ramifications of enacting a family cap supports the views of both opponents and proponents of the measure. Some opponents of the family cap maintain that its existence is just one of a myriad of complex economic and non-economic factors weighed by single mothers in their decisions to become pregnant, bring a pregnancy to term or abort a pregnancy. Some proponents of family cap policies argue that it promotes parental responsibility and reduces the welfare burden on taxpayers. They contend that early data indicate that the family cap has helped reduce the number of women on assistance who give birth to additional children.

In 1997, the state of Indiana was sued by welfare recipients and their excluded children over the constitutionality of the family cap. The results of this legal battle are yet to be determined. Also, the family cap is again being challenged in the New Jersey courts. In addition, On June 16, 1998, Representative Christopher Smith introduced H.R. 4066, a bill that would prohibit states from implementing a family cap policy for TANF families.

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Welfare Reform: Family Caps in the Temporary Assistance for Needy Families Program

Background

President Clinton reopened the debate on welfare reform during the 1992 Presidential campaign with his pledge to “end welfare as we know it.” The President, however, did not send a welfare proposal to Congress during 1993. Instead, in November 1993, House Republicans forged ahead with their own welfare proposal (H.R. 3500) which included a provision that *prohibited* the payment of Aid to Families with Dependent Children (AFDC) benefits for a new baby born to a woman already receiving AFDC benefits. The President’s legislative proposal, submitted in June 1994 (H.R. 4605, S.2224) included a less restrictive provision that gave states the *option* to limit AFDC benefits for women giving birth to subsequent children while receiving AFDC assistance.

In September 1994, House Republicans included a family cap *requirement* in their “Contract With America” (that was signed by all but 57 Republican candidates for House seats). The election of a Republican Congress in November 1994 focused more attention on the welfare proposal outlined in the Republican Contract with America. The welfare reform provisions of the House Republicans’ Contract with America were introduced as H.R. 4 (the Personal Responsibility Act) on January 4, 1995. The family cap measure was viewed by many members of the Republican-led 104th Congress as a way to provide a disincentive for women receiving welfare benefits to give birth to additional children, and more generally, as a way to reduce out-of-wedlock births.

Concomitant with the congressional debate, many states did not wait for federal welfare reform, instead they went forward with their own demonstrations to promote self-sufficiency of welfare families. By August of 1995, 15 states had received federal waivers that allowed them to implement a family cap.

During the 1995 welfare reform debate, moderate and conservative Senate Republicans disagreed over whether to deny federal funding for cash benefits to children born to welfare recipients (i.e., the House-passed version of the family cap provision, H.R. 4). On September 13, 1995, 20 Republican Senators joined the 46 Democratic Senators in supporting Senator Dominici’s amendment to strike the family cap requirement. The amendment passed by a vote of 46-34. Senator Gramm warned that removing the restriction would “perpetuate a system that subsidizes

illegitimacy, which gives cash bonuses to people who have more and more children on welfare.”¹

After vetoing two bills containing welfare reform legislation (in December 1995 and January 1996) because of their other provisions, President Clinton signed H.R. 3734, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, into law (P.L. 104-193) on August 22, 1996. PRWORA ended the AFDC and related programs and replaced them with a new block grant program called Temporary Assistance for Needy Families (TANF). TANF provides states with greater flexibility to design their own programs for families with children. In the end, PRWORA was silent with respect to the family cap. Thus, states now have total discretion over whether or not to have a family cap policy.

Under the former AFDC program, all states paid greater benefits for larger families, at least up to a family size of six. This meant that in all states, a family of five would receive a larger check than a family of four, and so on. At some point, however, this incremental increase in benefits ceased, meaning that a family of eight received in most states the same amount of benefits as a family of 12. (The amount of incremental benefit increases given to families also varied from state to state.)

The family cap generally is defined as not increasing TANF benefits simply because a woman has another child while receiving TANF benefits. Thus, under a family cap policy, the TANF benefit amount is based on the size of the family at the time of enrollment into the program, which means that the birth of one or more children after enrollment has no effect on the TANF benefit payment. Therefore, under a family cap policy, families of the same size may be treated differently if the mother has more children while she is already receiving TANF benefits.

The family cap has been one of the most controversial aspects of the welfare reform efforts undertaken by the states. Various groups have lined up either in support of the policy or in opposition to it.

Proponents of a family cap assert that the welfare system of the past provided the wrong incentives and rewards, leading many women irresponsibly to opt to have additional children in order to gain more benefits. They argue that a family cap promotes parental responsibility and reduces the welfare burden on taxpayers. They contend that a family cap policy sends out the message that mothers and fathers, not taxpayers, need to take personal responsibility for providing the financial support needed to take care of their children. The Republican-led House of Representatives made the family cap part of its “Contract With America” and included it in the various versions of its welfare reform legislation. Other supporters include conservative organizations such as the Family Research Council. When women on welfare were asked about the family cap, 67% said they felt it was fair and 86% said it promoted responsibility.² Another survey conducted by Public Agenda found that 53% of welfare recipients said that “not increasing benefits when mothers on welfare have

¹ 1995 *Congressional Quarterly (CQ) Almanac*. p. 7-49.

² These data were obtained from: *The Washington Post*. New Jersey Officials Say Birth Rate Drop Not Linked to Welfare Benefits Cap, September 12, 1997, p. A22.

more children” is absolutely essential to improving welfare. In addition, 46% of welfare recipients who were asked whether a hypothetical woman who has a second baby out-of-wedlock should receive welfare benefits said yes she should receive the same benefits as before.³ According to a spokesman for Georgia Governor Zell Miller, Georgia has saved about \$3 million a year since the first version of its family cap policy was implemented and has sent out the message that the state would not pick up the bill for women who have additional children while already receiving welfare assistance.

Some of the coalitions that have formed to fight the family cap have brought together groups that have not traditionally been in agreement on other issues. A coalition of disparate groups emerged during 1995 and 1996 to fight the family cap measure. This union brought together groups of liberals and conservatives, advocates of pro-life and pro-choice, civil rights organizations and religious groups. Opponents of the family cap argue that the measure will lead to an increase in abortions, that it is ultimately most harmful to children because it denies them adequate financial support, and that it opens the door to potentially coercive policies that may restrict women’s reproductive choices. Such diverse groups as Feminists for Life, the Child Welfare League of America, Planned Parenthood, NOW, the ACLU, the National Governor’s Association, the National Conference of State Legislators, and the U.S. Conference of Mayors united to oppose a mandatory family cap. When women on welfare were asked about the family cap, about 50% said they felt the policy hurt children and 37% said it interfered with a woman’s right to have a baby.⁴ Another survey conducted by Public Agenda found that 21% of welfare recipients who were asked whether a hypothetical woman who has a second baby out-of-wedlock should receive welfare benefits said yes she should receive additional welfare benefits.⁵ New Jersey plaintiffs who have filed a law suit against the family cap policy cite violations of equal protection under the state constitution, arguing that two classes of children are being treated differently based exclusively on the timing of their births. They also claim that the policy violates women’s state constitutional right to privacy by interfering with their reproductive choices.

Whereas P.L. 104-193 was silent with respect to the family cap, it explicitly provides incentives for states to reduce levels of out-of-wedlock births (also referred to as nonmarital births). P.L. 104-193 authorizes (and appropriates) \$1 billion over 5 years for performance bonuses to reward states that achieve the goals of the Act, including reduced nonmarital pregnancies, provides \$400 million over 4 years in bonus payments to states (i.e., the top five states) that reduce their nonmarital birth rates and abortion rates, requires the Secretary of the Department of Health and Human Services (DHHS) to annually rank states on their performance in reducing nonmarital birth ratios, and authorizes entitlement funding for abstinence education

³ *Public Agenda*. The Values We Live By: What Americans Want From Welfare Reform, by Steve Farkas and Jean Johnson with Will Friedman and Ali Bers. April 24, 1996. p. 42 and 44.

⁴ These data were obtained from: *The Washington Post*. New Jersey Officials Say Birth Rate Drop Not Linked to Welfare Benefits Cap, September 12, 1997, p. A22.

⁵ *Public Agenda*. The Values We Live By: What Americans Want From Welfare Reform, by Steve Farkas and Jean Johnson with Will Friedman and Ali Bers. April 24, 1996. p. 42.

for teenagers. The 1996 welfare law also requires states to submit a TANF state plan to DHHS that includes an outline of how the state intends to establish goals and take action to prevent and reduce the incidence of nonmarital pregnancies, and establish numerical goals for reducing the nonmarital births (without a commensurate increase in the number of abortions). Under the only comparable provision in prior law, states were required to provide family planning services to any AFDC recipient who requested them, in order to prevent or reduce the incidence of births out of wedlock. Appendix A includes a brief description of state efforts to reduce nonmarital births as presented in their TANF state plans.

On June 16, 1998, Representative Christopher Smith introduced H.R. 4066, a bill that would prohibit states from implementing a family cap policy for TANF families. According to Representative Smith, the two most predictable outcomes of the family cap policy are a likely increase in the number of babies aborted by indigent women and the further impoverishment of children born to women on welfare.⁶

Current Family Cap Rules

The majority of the 22 states that have adopted a family cap measure stipulate that no additional benefits will be provided for children born 10 months after the family begins receiving assistance. Connecticut and Florida pay reduced benefits rather than zero benefits for additional children. New Jersey and Arizona increase earnings disregards for families subject to the family cap to encourage them to substitute earnings for the loss in benefits. This allows recipients to keep a larger portion of their earned income and still be eligible for TANF benefits. The two states increase the disregard by an amount equal to the benefit increment that would have been awarded for the new baby if no family cap were in place. Idaho and Wisconsin have taken yet another path, opting to award a flat benefit to the family regardless of family size.

Most of the “family cap” states make exceptions for children that were conceived as a result of incest or sexual assault. Several states make exceptions if the child is the firstborn of a minor included in the welfare grant (thus, the grandchild of the grantee).

⁶ *Congressional Record*. Tuesday, June 16, 1998. Remarks of Representative C. Smith. p. E1142.

Table 1. States With Family Caps

State	No increase in cash benefits for additional children	Partial increase in cash benefits for additional children	Standard cash benefit regardless of family size	Higher earned income disregards for families with a cap
Arizona	X			X
Arkansas	X			
California	X			
Connecticut		X		
Delaware	X			
Florida		X		
Georgia	X			
Idaho			X	
Illinois	X			
Indiana	X			
Maryland	X			
Massachusetts	X			
Mississippi	X			
Nebraska	X			
New Jersey	X			X
North Carolina	X			
North Dakota	X			
Oklahoma	X			
South Carolina	X			
Tennessee	X			
Virginia	X			
Wisconsin			X	

Source: Table prepared by the Congressional Research Service (CRS) based on state law information and information in TANF state plans provided to the Department of Health and Human Services (DHHS).

Variation in State Initiatives

P.L. 104-193, PRWORA, did not address family caps, leaving it up to individual states to decide whether or not they wanted to implement such a measure. Fifteen states had a family cap in place prior to PRWORA, and seven more added a cap after that legislation. Some states, including Wisconsin, Georgia, and Delaware have made changes to their family cap measures since they were first implemented under federal waivers under AFDC. Wisconsin changed from having a family cap to a fixed benefit structure regardless of family size. Under AFDC, Georgia exempted a woman from the family cap policy for a 24-month grace period from the initial receipt of benefits. Georgia dropped that period from 2 years to 10 months after TANF was in place. Delaware has taken a tougher stance on first time minor mothers who are included in their mother's TANF assistance unit than other states by including them in their family cap penalties. This means that the mother of a minor who has a child does not receive an increased TANF benefit based on the birth of her new grandchild. Several states have exempted that group of mothers. Maryland mandated that the amount of benefits that would have previously gone to assist an additional child must now go to a third party social service organization to be used for child-specific in-kind services (not cash). Oklahoma law stipulates that instead of an incremental benefit increase, a voucher in the amount of the incremental benefit be given to the mother of the new baby. The voucher is to be used for infant and toddler clothing, food, and other articles of necessity for the infant and toddler. Idaho treats families with earnings differently than families without earned income.

Role of Food Stamps

In general, food stamp eligibility rules make TANF families automatically eligible for food stamp benefits.

The goal of the Food Stamp program is to increase recipients' food purchasing power. Unlike other forms of welfare assistance, the Food Stamp program sets a national benefit level (that varies with *family size*, household income, shelter costs, and child care expenses). In FY1997, monthly food stamp benefits averaged \$71 per recipient and are expected to average \$74 per person in FY1998.

The effects of a family cap are to a certain extent lessened because TANF families are entitled to receive food stamps. As a result, when TANF benefits are not increased with the birth of an additional child, food stamps automatically increase in recognition of a larger family size.

Effect of Family Caps on TANF Benefits

Generally under state family cap provisions, the family's TANF benefit would not be increased with the birth of a new baby. This means that the TANF benefit for the family would remain the same (assuming other things are unchanged). Thus, the family would have to stretch the unchanged TANF cash income to meet the needs of any additional child or children born to the family.

Table 2 in Appendix B shows the maximum monthly amount a three-person family would receive with and without a family cap rule. Compared with what she would have gotten under a system without a family cap, it shows that implementation of the family cap would result in a *reduction* of the potential TANF benefit of a mother with two children, one of whom was born after she began receiving TANF, by between 11% (Connecticut) and 31% (North Dakota). In combination with the *increased* benefits from food stamps, the TANF family cap would result in between a 4% (Mississippi) and 15% (North Dakota) *decline* in combined TANF and food stamp benefits, compared with a system without a family cap, depending on the state. In the median state (based on the TANF benefit for a three-person family), TANF benefits were less than pre-family cap benefits by \$68 per month for a mother with two children. This is a 20.1% reduction in potential monthly TANF benefits. If food stamps are taken into account, combined TANF and food stamp benefits would drop by \$48 per month because of the family cap. This is 8% less in monthly combined benefits than what would have been provided in a system without a family cap.

Table 3 in appendix B shows the maximum monthly amount that a four-person family would receive with and without a family cap rule. Compared with what she would have gotten under a system without a family cap, it shows that implementation of the family cap would result in a *reduction* of the potential benefit of a mother with three children, one of whom was born after she began receiving TANF, by between 7% (Connecticut) and 19% (Oklahoma), depending on the state in which she lives. In combination with food stamps, the TANF family cap would result in between a 3% (North Carolina) and 8% (California) *decline* in combined TANF and food stamp benefits, compared with a system without a family cap, depending on the state. In the median state (based on the TANF benefit for a four-person family), TANF benefits were less than pre-family cap benefits by \$69 per month for a mother with three children; a 17% reduction of the potential monthly TANF benefit. If food stamps are taken into account, combined TANF and food stamp benefits would drop by \$49 per month because of the family cap. This is 6.7% less in monthly combined benefits than a system without a family cap.

Table 4 in appendix B shows combined TANF and food stamp benefits as a percent of federal poverty guidelines, by state, without the family cap and with the family cap rule. A TANF mother living in the median state, ranked by benefit level, whose second child was born while she was receiving TANF, would have combined TANF and food stamp income equal to 52.6% of the federal poverty guidelines (\$13,650 for a family of 3 in 1998) without a family cap rule, versus 48.7% under the family cap rule. A TANF mother living in the median state, ranked by benefit level, whose third child was born while she was receiving TANF, would have combined TANF and food stamp income equal to 53.5% of the federal poverty guidelines (\$16,450 for a family of four in 1998) without a family cap rule, versus 50.0% under the family cap rule.

Legal Questions Regarding Family Cap

The family cap has been legally challenged in New Jersey and Indiana. The latest challenge to the New Jersey family cap provision was filed in September 1997 in the case *Sojourner A. v. The New Jersey Department of Human Services*. NOW Legal Defense and Education Fund and the Newark New Jersey law firm of Gibbons, Del Deo, Dolan, Griffinger and Vecchione, joined the American Civil Liberties Union (ACLU) of New Jersey to represent the New Jersey plaintiffs. The plaintiffs cited violations of equal protection under the state constitution, and argued that two classes of children are being treated differently based exclusively on the timing of their births. The suit also argued that the policy violates women's state constitutional right to privacy by interfering with their reproductive choices.⁷

According to data from the New Jersey Department of Human Services, the agency that administers the welfare plan for New Jersey, as of December 1997, more than 25,000 mothers with newborns have been denied additional assistance as a result of the family cap policy which was implemented in October 1992. The *implementation* of the family cap provision has been upheld by a federal district court and the 3rd Circuit appellate court.⁸

The family cap also was challenged at the state level in Indiana in June 1997. The Indiana chapter of the American Civil Liberties Union filed a complaint in state court arguing that the state policy violates plaintiffs' federal constitutional right to family integrity and privacy. The suit also argues that the policy penalizes children for their parents' behavior, thereby violating federal and state constitutional due process requirements. In addition, the plaintiffs assert that the voucher system, which provides recipients with one-half of the amount they would have received without the cap, was not properly implemented, thereby violating federal and state due process requirements.⁹ A request for summary judgment is scheduled to be heard in September 1998. Indicating their pessimism about a favorable outcome, some members of the Indiana ACLU have indicated that the decision will likely be appealed to the State Court of Appeals immediately after the September decision.

⁷ NOW Legal Defense Fund: 99 Hudson St. 12th Floor, New York, NY 10013. See also: American Civil Liberties Union Freedom Network. News and Events. *NOW LDEF, ACLU File Lawsuit in NJ Court on Behalf of 20,000 Poor Children*. September 8, 1997.

⁸ C.K. v. Shalala, 883 F.Supp. 991 (D.N.J. May 04, 1995); Judgment Affirmed by C .K. v. *New Jersey Dept. of Health and Human Services*, 92 F.3d 171, (3rd Cir. 1996).

⁹ Welfare Law Center, 1997. Indiana Family Cap Suit Filed. Excerpt from *Welfare Law Bulletin*. New York: Welfare Law Center.

Research on Family Caps

Since the 1960s, much of the research conducted on welfare has focused on its effects on family structure. This, according to many researchers, is because most exits and entrances to the welfare rolls are due to changes in family structure, rather than changes in labor supply or earnings.¹⁰ An increase in the number of families maintained by women alone was one of the major changes in family composition in the 1970s and 1980s.

While there has been much research on the effect of cash welfare on family structure, there are only two studies that specifically examine the effect of a family cap on childbearing. In New Jersey, after starting with an experimental design (i.e., control group and experimental group), researchers ended up using a less definitive quasi-experimental pre-post comparison design.¹¹ The Arkansas study used the experimental design approach. Findings in the New Jersey study indicate that the family cap, in certain circumstances, appears to exert a small impact on birth rates. Whereas, findings in the Arkansas study indicate that the existence of a family cap has no impact on births. These studies and their findings are discussed in greater detail below.

New Jersey Study

The State of New Jersey, the first to implement a family cap, commissioned Rutgers University to conduct an evaluation on the effect of the state's policy on the rate of out-of-wedlock births and the abortion rate. The Rutgers study was done for the New Jersey Department of Human Services under the terms of the HHS waiver authorizing the state to conduct the Family Development Program (FDP), a welfare demonstration program that included the family cap. Under the New Jersey child exclusion measure, the state denies the incremental increase in benefits to any child who is conceived and born into a family already receiving cash assistance.

The study, using a quasi-experimental pre-post comparison design, compared birth rates among New Jersey AFDC households from December 1990 to December 1996. Researchers from Rutgers concluded that the family cap has had no effect on births to women that were the designated welfare payee of the assistance unit.

¹⁰ Moffitt, Robert. Incentive Effects of the U.S. Welfare System: A Review. *Journal of Economic Literature*, v. XXX, no. 1, March 1992.

¹¹ Researchers conducting both the New Jersey and Arkansas studies suggested that the use of a classical experimental design may not always be appropriate for the assessment of social experiments. They note that there are simply too many conditions that are not under the control of the welfare agency that can contaminate any attempt at experimentation. For instance, both studies indicated that many participants did not know whether they were in the control group or the experimental group, further many in the control group thought that the family cap applied to them. Thus, the results obtained from the control group would not be a reliable comparison. Others caution that using multivariate statistical techniques to examine birth rates and abortions also has drawbacks. They note that multivariate statistical methods are very sensitive to the assumptions and restrictions imposed by the statistical model used. Thus, the reader should be cautious in accepting the findings of these studies as conclusive.

However, they found that the family cap “does appear to exert a small effect on birth rates, decreasing births by about 140 per year over what would be expected due to trend and population composition changes,”*if* all persons in the cash welfare assistance unit are included in the analysis. If only children born to the payee are considered, the study shows that the family cap has no effect on first generation son-daughter births. The study reports that births to welfare payees were decreased by about 50 per year over what would have been expected. The researchers also found that the family cap “does appear to exert a small but non-trivial effect on abortion rates, adding about 240 abortions per year over what would be expected due to trend and population composition changes.”¹² (There were 31,860 abortions in New Jersey in 1996.)

According to a recent New York Times article, New Jersey officials have rejected the abortion-related findings of the Rutgers study and characterized the report as a draft that needs substantial revision.¹³

Arkansas Study

A classical experimental-design study conducted by the University of Arkansas at Little Rock School of Social Work reported on the Arkansas Welfare Waiver Demonstration Project (AWWDP), which was implemented in July 1994 and concluded in June 1997. It found “no evidence in the effectiveness of a family cap on AFDC benefits to influence the birth of additional children to mothers who receive AFDC.” The study examined members of an experimental group consisting of welfare recipients who were subject to the family cap policy, and a control group consisting of welfare recipients whose benefits were determined based on the state’s AFDC program. The study found “no statistically significant difference between the control and experimental groups” with respect to birth rates. Furthermore, when questioned about what level of benefits would influence the decision to have another child, 94% of the fertile experimental group and 82% of the fertile control group answered, “none.”¹⁴

Georgia Data

In Georgia, Department of Human Resources officials had estimated that 14,765 women on welfare would give birth every year without the cap. They predicted the

¹² *Report on the Impact of New Jersey’s Family Development Program: Results from a Pre-Post Analysis of AFDC Case Heads from 1990-1996*, by Michael J. Camasso, Carol Harvey, Radha Jagannathan, and Mark Killingsworth [all with Rutgers University]. Submitted to the U.S. Dept. of Health and Human Services, Administration for Children and Families and the Assistant Secretary for Planning and Evaluation. December, 1997. p. i-ii and 136-139.

¹³ *New York Times*. June 8, 1998. Report Tying Abortion to Welfare is Rejected, by Tamar Lewin.

¹⁴ *Arkansas Welfare Waiver Demonstration Project, Final Report, July 1994-June 1997*, conducted by the University of Arkansas at Little Rock, School of Social Work. Principal Investigators, Carolyn Turturro, Brent Benda, and Howard Turney; Research Associates, James Chastain, Christy Pollock, Lynne Osborn, and John Knott. June 15, 1997. 114p.

cap would reduce births 10%. But the effect has been more striking, a 32% reduction in births. Even so, 9,987 women subject to the benefit cap have given birth since 1996. Skeptics of the study argue that far stronger social forces mitigate the policy. They claim that a woman's poverty and poor education are more likely to influence her behavior than the fear of losing an additional \$42 a month.¹⁵

¹⁵ Online Athens. April 20, 1998. *Welfare Caps Has Had Impact on Number of Births*, by Lawrence Viele.

Appendix A: Summary of State Family Cap Provisions and Plans to Reduce Nonmarital Births

Arizona

The state, with some exceptions, will eliminate the incremental increase in cash welfare benefits resulting from the birth of an additional child(ren) to a family. The family maximum TANF payment will be capped at the family maximum applicable prior to the birth of the child. The child will be included in the standard of need and will be considered a TANF recipient for other purposes, including Medicaid eligibility.

This provision will not apply to births resulting from cases of sexual assault or incest; to the firstborn (including all children in the case of a multiple birth) of minors included in a TANF grant; to children born within 10 months of the date the caretaker relative is informed that the family is subject to this provision; or in the case of a parent who has not received TANF for a minimum of 12 consecutive months, and the child is born (1) no earlier than the 22 months after the parent left TANF and (2) no later than the end of the 10th month after the parent returns to TANF.

The state plan specifies that Arizona's overall numerical goal for the year 2005 is to "reduce out-of-wedlock births to no more than 37.5% (30,770 births)." The current (1995) out-of-wedlock birth rate is 38.2%. The state plan provides projections of the number of childbearing women in the state and assumes a constant rate of birth. Teen pregnancy prevention goals were also established.

Arkansas

The cash assistance amount is not increased due to the addition of a newborn to a family already receiving aid.

Arkansas' state plan does not establish numerical goals, but it does set out a five component approach to "unmarried birth prevention." The five components are: abstinence programs using funding in the welfare reform act; improved access to family planning services statewide; community-based efforts in targeted counties; media campaign with emphasis on 11-24 year olds; and, a state-level steering committee to coordinate the efforts.

California

The cash assistance amount is not increased for any child born to a family that has received aid continuously for 10 months. The state allows exemptions for children conceived as a result of rape, incest, and failure of certain contraceptive methods.

California's plan for decreasing out-of-wedlock births includes four components, and is referred to as the "Partnership for Responsible Parenting." These components are: community challenge grants to support community-based strategies to reduce teen and unwed pregnancies; a media campaign; a mentoring initiative; and a vertical prosecution program regarding statutory rape, under which the same prosecutor is

allowed to follow to a specific case all the way through the judicial process. The plan also notes that the state has a “goal of reducing the incidence of pregnancies among females ages 17 and younger.” California’s state plan does not include numerical goals for reducing out-of-wedlock births.

Connecticut

Children born more than 10 calendar months after the later of (i) November 1, 1996 or (ii) the date of the family’s application for TANF, receive less than a full cash assistance benefit increase. They receive only \$50 per month, this represents about one-half of the average increase for an additional child under the previous policy. The benefit cap will not apply when: the additional child was conceived as a result of sexual assault as defined by state policy and as determined by the preponderance of the evidence; to children who are the first-born (including all children in the case of a multiple birth) of minors included in an TANF grant; to a child who does not reside with his or her parent; or if the parent did not receive TANF assistance either in the 9th or 10th calendar month before the birth of the child, or in the case of premature births (as verified by a physician) and the mother was not on assistance during the month of conception.

The Connecticut Teen Pregnancy Coordinating Council, a permanent group created by state law, funds seven pregnancy prevention programs. A component is being added that requires grantees to incorporate into their programs the responsibility of young males. In its Teenage Pregnancy Prevention initiative, the Department of Social Services continued to target six urban areas: New Haven, New Britain, New London, Waterbury, Norwalk, and Stamford, as well as rural northeastern Connecticut. Connecticut’s goal is to reduce births to 23 per 1,000 girls aged 10 to 17 by the year 2000.

Delaware

The cash assistance amount is not increased due to the birth of an additional child. The state allows exceptions when the child was conceived as a result of incest or sexual assault; the children do not reside with their parents; or the child reenters the household. Under TANF, the family cap will apply to children who are the firstborn of minors included in the AFDC grant, that is, to the new baby who is the adult mother’s grandchild.

The state plan describes the family planning goals of the Department for 1997-2000 which are to “increase the percentage of adolescents choosing abstinence” and to reduce “the rate of unintended pregnancies to residents aged 15-44 by 3%.” The state aims to reduce the rate of pregnancies to residents under age 15 by 5% per year, and the rate of pregnancies for adolescents aged 15-19 by 5% per year. Delaware also aims to reduce the repeat pregnancy rate among adolescents under age 19.

Florida

The state provides limited temporary assistance to an existing temporary assistance case due to the birth of a child when the birth occurs more than 10 months

after the implementation date, or for new cases, 10 months after the application or reapplication for temporary assistance. (If a case has been closed for less than 6 months, re-applicants are considered existing cases.)

For the first child born while receiving assistance, temporary assistance shall be 50% of the maximum available amount for an individual. For a second or subsequent child born while receiving assistance, no additional temporary assistance shall be provided.

The state allows exceptions for program participants who are victims of rape or incest; children who are the firstborn, including all children in the case of multiple births, of minors included in a temporary assistance group who as a minor become first-time parents; a child whose parental custody has been legally transferred; a child who no longer is able to live with his or her parents as a result of the death of the child's parents, the incapacity of the child's parents as documented by a physician such that the parent(s) are unable to care for the child; legal transfer of the custody of the child to another individual; or incarcerated parents.

Florida has established numerical goals for out-of-wedlock births. The ratio of out-of-wedlock births to total births in Florida was 35.96% in 1996. Florida's goal for 1997 was to reduce that ratio to 34.82%, for 1998 the goal is 34.38% and for 1999 the goal is 34.03% and continues a yearly decline such that in 2005 the ratio of out-of-wedlock births to total births is 32.13%. Florida asserts that programs and strategies to reduce out-of-wedlock births and teenage pregnancies must be founded on voluntary principles. The state believes that the use of family planning services cannot be a condition for receiving public assistance.

Georgia

The cash assistance amount is not increased for a child born 10 or more months after the family has received, or applied for, assistance. This provision does not apply to a child born as a result of a verifiable rape or incest.

Georgia's state plan indicates that the Department of Human Resources (DHR) Interdivisional Teen Pregnancy Prevention Committee will expand its strategies and goals for reducing out-of-wedlock pregnancies, with a special emphasis on teen pregnancies. It also says that after-school programs which provide youth with enrichment opportunities, tutoring, self-esteem, and other positive alternatives to early parenting will be supported and expanded. Georgia's state plan does not include numerical goals for reducing out-of-wedlock births.

Idaho

The state provides a flat grant amount to families with no earnings, regardless of family size. Thus, although the state does not have an explicit family cap policy, for families with no earnings, the benefit payment of \$276 (regardless of family size) is in effect an implicit family cap. For families with earnings, benefits increase with family size and the implicit family cap ceases.

Idaho's state plan indicates that its objective is to reduce to no more than 30% the proportion of all pregnancies that are unintended. It is also noted in the plan that the state plans to work on improving practices to determine paternity.

Illinois

The state does not increase cash assistance payments to families when a child is born unless one of the following circumstances exist: the baby is born during the 9 calendar months following the month of application; if the conception occurred in a month the family received either AFDC or TANF in Illinois, the payment increases only if the family did not receive AFDC or TANF for 9 consecutive months any time following the conception; the baby is the first child of a child in the assistance unit; or the conception occurred as a result of a documented incest or forcible rape.

Unless one of the exceptions applies, the baby will be added to the family unit and be eligible for all services available to Illinois TANF program family members. However, the assistance payment will not increase. Instead, such families will be targeted to receive economic self-sufficiency services under TANF and Child Support Enforcement.

The Illinois state plan describes an effort to focus pregnancy prevention on three target populations: teens, TANF recipients, and all Illinois residents in an effort to address out-of-wedlock births. The Illinois state plan does not include numerical goals for reducing out-of-wedlock births.

Indiana

The cash assistance amount is not increased due to the birth of a child when the birth occurs more than 10 calendar months after the later of (i) July 1, 1995 or (ii) the date the family qualifies for TANF. At county option, a monthly voucher in the amount of one-half the grant amount which would be available to an otherwise eligible child may be authorized for children who are not eligible for a cash benefit as provided herein.

The family cap will not apply when: the additional child was conceived as a result of incest, rape, or conduct that is a crime under Indiana Code section 35-42-4-3; to children who are firstborn (including all children in the case of a multiple birth) of minors included in a cash assistance grant who become first-time minor parents; to a child who does not reside with his or her parent; to a child that was conceived in a month the family was not receiving TANF; or to children with a substantial physical or mental disability.

The additional child and any individuals who are required to be included in the assistance unit will be included in the need standard for purposes of determining TANF eligibility and will be a TANF recipient and eligible for Medicaid. All TANF applicants and recipients will be offered family planning services at the time of each application and review of eligibility.

The Indiana state plan highlights the statewide project, RESPECT, to encourage abstinence to reduce teen pregnancy; the Teen Parent Program to keep teen parents in school; and coordination efforts with other agencies and programs focused on teen parents. The plan also indicated that there will be at least one statewide conference on encouraging men to take responsibility for their children. Indiana is in the process of establishing numeric goals for reducing out-of-wedlock births.

Maryland

The cash assistance amount is not increased due to the birth of an additional child if the family is already receiving benefits. The amount of the withheld benefit is to be paid to a third party affiliated with a nonprofit organization to be used for child-specific items (not cash).

Maryland notes that its primary effort is to prevent unintended pregnancies. The state expects to target different age groups over time, and to target at least six counties and Baltimore City since out-of-wedlock births are more prevalent in these areas. Maryland's state plan does not yet include numeric goals for 1998 and beyond for reducing out-of-wedlock births.

Massachusetts

The cash assistance amount is not increased for additional children born to TANF recipients.

The Massachusetts state plan indicates that the state will implement a sex and health education curriculum which incorporates teen pregnancy prevention for grades Kindergarten through 12th, and that it plans to develop approaches to reduce father absence. The Massachusetts state plan does not include numerical goals for reducing out-of-wedlock births.

Mississippi

The cash assistance amount is not increased for additional children born after the initial 10 months of benefits (unless there is a 12-month consecutive break in TANF benefits).

Mississippi's state plan indicates that the state will establish a task force with public and private organizations to review the incidence and circumstances of out-of-wedlock births. The state is in the process of establishing numeric goals to reduce out-of-wedlock births.

Nebraska

Women who give birth to an additional child(ren) while receiving benefits will not receive an increased TANF allotment.

Nebraska's state plan indicates that the state will emphasize teenage pregnancy prevention. Nebraska is in the process of establishing numeric goals to reduce out-of-wedlock births.

New Jersey

The level of cash assistance benefits payable to an assistance unit with dependent children will not increase as a result of the birth of a child during the period in which the assistance unit is eligible for benefits, or during a temporary period in which the assistance unit is ineligible for benefits because of a penalty imposed on them for failure to comply with benefit eligibility requirements, after which the assistance unit is again eligible for benefits. This provision does not apply to medical assistance, nor does it apply to an individual in an assistance unit with dependent children who gives birth to a child fewer than 10 months after applying for and receiving cash assistance benefits nor to the birth of a child that occurs as a result of rape or incest.

Each employed person in the assistance unit subject to the family cap provision is entitled to the earned income disregards mentioned earlier and after application of the earned income disregards, the total countable income must be subtracted from the eligibility standard for the assistance unit size, adjusted to include any person for whom cash assistance has not been received due to the application of the family cap provision.

New Jersey's state plan did not include numeric goals for reducing out-of-wedlock births nor a description of their program to reduce out-of-wedlock births.

North Carolina

The cash assistance amount is not increased due to an additional birth while the family is receiving assistance.

North Carolina's state plan did not include numeric goals for reducing out-of-wedlock births nor a description of their program to reduce out-of-wedlock births.

North Dakota

Effective July 1, 1998, TANF benefits will not increase because of the birth of a new baby to a TANF recipient.

The North Dakota state plan indicates that the state will educate young men on the consequences of fathering a baby (stressing financial duty and child support enforcement laws). The state plans to include family planning in the job assessment process, and ask parents directly whether they want more children. It plans to develop a "training" package on preventing non-marital pregnancies for all children receiving TANF benefits that are aged 13 and up. The plan indicates that the state's goal is to reduce nonmarital births by 2% yearly.

Oklahoma

The state provides no additional benefits for recipients who give birth while on assistance. Vouchers are given out instead of cash to help the family pay for food, clothing, and other necessity items for the new baby during the time it is an “*infant and toddler*.”

Oklahoma’s state plan indicates that the state will target teenagers in its efforts to reduce out-of-wedlock births. Oklahoma plans to reduce the unintended births in 1996-1997 by 1%.

South Carolina

The state does not increase cash benefits for an eligible family as a result of a child born to that parent 10 or more months after the family begins to receive Family Independence benefits. This requirement does not apply if the state determines that the child was conceived as a result of rape or incest.

The state may provide benefits for a child born after 10 months in the form of vouchers that may be used to pay for goods and services as determined by the state, that permit the child’s mother to participate in education, training and employment related activities.

South Carolina’s state plan indicates that the state intends to develop a program to: (1) delay parenting and/or a second teenage pregnancy; (2) facilitate coordination of services with other service providers involved in the effort to prevent teenage pregnancy; (3) strengthen the capacity of families in recognizing and meeting the needs of youth and teen parents through improved teen/parent communication; (4) serve as a catalyst for community action by increasing the awareness and capabilities of community based organizations to design and implement their own efforts in the area of pregnancy prevention; and (5) assist and encourage youth to stay in school, with the goal of ultimately becoming gainfully employed. South Carolina is in the process of establishing numeric goals to reduce out-of-wedlock births.

Tennessee

The cash assistance amount is not increased due to the birth of a child when the birth occurs more than 10 calendar months after the later of (i) October 1, 1996 or (ii) the date of the family’s application for TANF. A caretaker must provide a physician’s statement to overcome the presumption that a child born more than 10 months after the application or implementation of demonstration was conceived prior to such date.

The family cap does not apply when: the additional child was conceived as a result of a verified rape or incest; to children who are the firstborn (including all children in the case of a multiple birth) of minors included in a TANF grant who become first-time minor parents; to a child who does not reside with his or her parent; or to a child that was conceived in a month the assistance unit was not receiving TANF.

The additional child will be included in the need standard for purposes of determining TANF eligibility and the income of the child, including child support, will be applied against the need standard and the fill-the-gap budgeting method in determining the TANF payment for the family. The child will be considered a TANF recipient for all other purposes including Medicaid coverage.

Tennessee's state plan indicates that the state plans to emphasize teenage pregnancy prevention in its effort to reduce out-of-wedlock births. Tennessee is in the process of establishing numeric goals to reduce out-of-wedlock births.

Virginia

The state does not provide an increased cash assistance benefit for additional children born to women on assistance.

Virginia's state plan indicates that the state will continue current initiatives to reduce the rate of nonmarital births and teen pregnancy. They include the Virginia fatherhood campaign, which directs messages to older men about responsible decision-making; and community-based teen prevention programs, including co-educational and male-dedicated programs. Virginia is in the process of establishing numeric goals to reduce out-of-wedlock births.

Wisconsin

Wisconsin Works, or W-2, does not relate payments to family size. In the case of a new child born more than 10 months after the eligibility determination, the mother is not required to work for 12 weeks, but those 3 months do count toward the 60-month lifetime limit (unless the child was conceived as a result of a sexual assault).

Wisconsin's state plan did not include numeric goals for reducing out-of-wedlock births nor a description of its program to reduce out-of-wedlock births.

Appendix B: Effect of a Family Cap on Combined Monthly TANF and Food Stamp Benefits, By State

Table 2. Effects of a Family Cap on Combined Monthly (January 1998) TANF and Food Stamp Benefits for a Mother who Bears a Second Child while Receiving TANF, by State

	Mother with one child			Mother with two children (Second child born while mother is on TANF)						Difference-with and without family cap				
				Without family cap			With family cap			Dollar difference			Percent loss	
	TANF	Food stamps	Total	TANF	Food stamps	Total	TANF	Food stamps	Total	TANF	Food stamps	Total	in TANF	in combined benefits
Arizona	\$275	\$181	\$456	\$347	\$257	\$604	\$275	\$278	\$553	(\$72)	\$21	(\$51)	-20.75%	-8.44%
Arkansas	162	215	377	204	300	504	162	312	474	(42)	12	(30)	-20.59%	-5.95%
California	456	127	583	565	191	756	456	224	680	(109)	33	(76)	-19.29%	-10.05%
Connecticut	513	110	623	636	170	806	563	192	755	(73)	22	(51)	-11.48%	-6.33%
Delaware	270	183	453	338	259	597	270	280	550	(68)	21	(47)	-20.12%	-7.87%
Florida	241	191	432	303	270	573	241	288	529	(62)	18	(44)	-20.46%	-7.68%
Georgia	235	193	428	280	277	557	235	290	525	(45)	13	(32)	-16.07%	-5.75%
Idaho	276	181	457	276	278	554	276	278	554	0	0	0	0.00%	0.00%
Illinois	278	180	458	377	248	625	278	277	555	(99)	29	(70)	-26.26%	-11.20%
Indiana	229	195	424	288	274	562	229	292	521	(59)	18	(41)	-20.49%	-7.30%
Maryland	304	173	477	388	244	632	304	270	574	(84)	26	(58)	-21.65%	-9.18%
Massachusetts	474	122	596	565	191	756	474	219	693	(91)	28	(63)	-16.11%	-8.33%
Mississippi	96	235	331	120	325	445	96	332	428	(24)	7	(17)	-20.00%	-3.82%
Nebraska	293	176	469	364	252	616	293	273	566	(71)	21	(50)	-19.51%	-8.12%
New Jersey	322	167	489	424	234	658	322	264	586	(102)	30	(72)	-24.06%	-10.94%
North Carolina	236	193	429	272	279	551	236	290	526	(36)	11	(25)	-13.24%	-4.54%
North Dakota	340	162	502	490	214	704	340	259	599	(150)	45	(105)	-30.61%	-14.91%
Oklahoma	225	196	421	292	273	565	225	293	518	(67)	20	(47)	-22.95%	-8.32%
South Carolina	160	216	376	201	300	501	160	313	473	(41)	13	(28)	-20.40%	-5.59%
Tennessee	142	221	363	185	305	490	142	318	460	(43)	13	(30)	-23.24%	-6.12%
Virginia	294	176	470	354	255	609	294	273	567	(60)	18	(42)	-16.95%	-6.90%

	Mother with one child			Mother with two children (Second child born while mother is on TANF)						Difference-with and without family cap				
				Without family cap			With family cap			Dollar difference			Percent loss	
	TANF	Food stamps	Total	TANF	Food stamps	Total	TANF	Food stamps	Total	TANF	Food stamps	Total	in TANF	in combined benefits
Wisconsin	673	62	735	673	159	832	673	159	832	0	0	0	0	0
Median	n.a.	n.a.	n.a.	338	260	598	270	280	550	(68)	20	(48)	-20.12%	-7.87%
Minimum	n.a.	n.a.	n.a.	120	325	445	96	332	428	(24)	7	(17)	-20.00%	-3.77%
Maximum	n.a.	n.a.	n.a.	636	170	806	563	192	755	(73)	22	(51)	-11.48%	-6.34%

Note: This table only presents information on states with a family cap policy. It includes Idaho and Wisconsin, states which provide the same amount of TANF benefits to all families (with no countable income), regardless of family size. This is viewed as an *implicit* family cap policy. The table uses the parameters median, minimum, and maximum to characterize TANF benefits. The food stamp figures are based on the appropriate TANF benefit. For example, the median TANF benefit, among the 22 states with a family cap policy, for a mother with two children was \$338 in January 1998. This was the amount that was received by a three-person family living in Delaware. If the mother had the second child while she was already receiving TANF, her benefit would drop to \$270 per month. This represents a \$68 drop in monthly TANF benefits, a decrease of 20.12%. If her food stamp benefits are included, her combined benefits would have dropped from \$598 to \$550. This represents a \$47 drop in monthly combined benefits, a decrease of 7.87%. The parameter labeled "minimum" denotes the lowest TANF benefit among the states presented in the table, for a three-person family. The parameter labeled "maximum" denotes the highest TANF benefit among the 20 states with an *explicit* family cap policy, for a three-person family.

Source: Table prepared by the Congressional Research Service (CRS).

Table 3. Effects of a Family Cap on Combined Monthly (January 1998) TANF and Food Stamp Benefits for a Mother who Bears a Third Child while Receiving TANF, by State

	Mother with two children			Mother with three children (Third child born while mother is on TANF)						Difference-with and without family cap				
				Without family cap			With family cap			Dollar difference			Percent loss	
	TANF	Food stamps	Total	TANF	Food stamps	Total	TANF	Food stamps	Total	TANF	Food stamps	Total	in TANF	in combined benefits
Arizona	\$347	\$257	\$604	\$418	\$322	\$740	\$347	\$344	\$691	(\$71)	\$22	(\$49)	-16.99%	-6.62%
Arkansas	204	300	504	247	374	621	204	387	591	(43)	13	(30)	-17.41%	-4.83%
California	565	191	756	673	246	919	565	278	843	(108)	32	(76)	-16.05%	-8.27%
Connecticut	636	170	806	741	225	966	686	242	928	(55)	17	(38)	-7.42%	-3.93%
Delaware	338	259	597	407	326	733	338	346	684	(69)	20	(49)	-16.95%	-6.68%
Florida	303	270	573	364	339	703	303	357	660	(61)	18	(43)	-16.76%	-6.12%
Georgia	289	277	557	330	349	679	280	364	644	(50)	15	(35)	-15.15%	-5.15%
Idaho	276	278	554	276	365	641	276	365	641	0	0	0	0%	0%
Illinois	377	248	625	414	324	738	377	335	712	(37)	11	(26)	-8.94%	-3.52%
Indiana	288	274	562	346	344	690	288	361	649	(58)	17	(41)	-16.76%	-5.94%
Maryland	388	244	632	468	307	775	388	331	719	(80)	24	(56)	-17.09%	-7.23%
Massachusetts	565	191	756	651	252	903	565	278	843	(86)	26	(60)	-13.21%	-6.64%
Mississippi	120	325	445	144	405	549	120	412	532	(24)	7	(17)	-16.67%	-3.10%
Nebraska	364	252	616	435	317	752	364	339	703	(71)	22	(49)	-16.32%	-6.52%
New Jersey	424	234	658	488	301	789	424	321	745	(64)	20	(44)	-13.11%	-5.58%
North Carolina	272	279	551	297	359	656	272	366	638	(25)	7	(18)	-8.42%	-2.74%
North Dakota	490	214	704	528	289	817	490	301	791	(38)	12	(26)	-7.20%	-3.18%
Oklahoma	292	273	565	361	339	700	292	360	652	(69)	21	(48)	-19.11%	-6.86%
South Carolina	201	300	501	242	375	617	201	387	588	(41)	12	(29)	-16.94%	-4.70%
Tennessee	185	305	490	226	380	606	185	392	577	(41)	12	(29)	-18.14%	-4.79%
Virginia	354	255	609	410	325	735	354	342	696	(56)	17	(39)	-13.66%	-5.31%
Wisconsin	673	159	832	673	246	919	673	246	919	0	0	0	0%	0%
Median	n.a.	n.a.	n.a.	407	326	733	338	346	684	(69)	20	(49)	-16.95%	-6.68%
Minimum	n.a.	n.a.	n.a.	144	405	549	120	412	532	(24)	7	(17)	-16.67%	-3.10%
Maximum	n.a.	n.a.	n.a.	741	225	966	686	242	928	(55)	17	(38)	-7.42%	-3.93%

Note: This table only presents information on states with a family cap policy. It includes Idaho and Wisconsin, states which provide the same amount of TANF benefits to all families (with no countable income), regardless of family size. This is viewed as an implicit family cap policy. The table uses the parameters median, minimum, and maximum to characterize TANF benefits. The food stamp figures are based on the appropriate TANF benefit. For example, the median TANF benefit, among the 22 states with a family cap policy, for a mother with three children was \$407 in January 1998. This was the amount that was received by a four-person family living in Delaware. If the mother had the third child while she was already receiving TANF, her benefit would drop to \$338 per month. This represents a \$69 drop in monthly TANF benefits, a decrease of 16.95%. If her food stamp benefits are included, her combined benefits would have dropped from \$733 to \$685. This represents a \$49 drop in monthly combined benefits, a decrease of 6.68%. The parameter labeled “minimum” denotes the lowest TANF benefit among the states presented in the table, for a four-person family. The parameter labeled “maximum” denotes the highest TANF benefit among the states presented in the table, for a four-person family.

Source: Table prepared by the Congressional Research Service (CRS).

**Table 4. Combined TANF and Food Stamp Benefits
as a Percent of Federal Poverty Guidelines**

	One Child	Two children second child born while mother is on TANF		Three children third child born while mother is on TANF	
		Without family cap	With family cap	Without family cap	With family cap
		Arizona	50.4%	53.1%	48.6%
Arkansas	41.7%	44.3%	41.7%	45.3%	43.1%
California	64.5%	66.5%	59.8%	67.0%	61.5%
Connecticut	68.9%	70.9%	66.4%	70.5%	67.7%
Delaware	50.1%	52.5%	48.4%	53.5%	49.9%
Florida	47.8%	50.4%	46.5%	51.3%	48.1%
Georgia	47.3%	49.0%	46.2%	49.5%	47.0%
Idaho	50.5%	48.7%	48.7%	46.8%	46.8%
Illinois	50.7%	54.9%	48.8%	53.8%	51.9%
Indiana	46.9%	49.4%	45.8%	50.3%	47.3%
Maryland	52.8%	55.6%	50.5%	56.5%	52.4%
Massachusetts	65.9%	66.5%	60.9%	65.9%	61.5%
Mississippi	36.6%	39.1%	37.6%	40.0%	38.8%
Nebraska	51.9%	54.2%	49.8%	54.9%	51.3%
New Jersey	54.1%	57.8%	51.5%	57.6%	54.3%
North Carolina	47.4%	48.4%	46.2%	47.9%	46.5%
North Dakota	55.5%	61.9%	52.7%	59.6%	57.7%
Oklahoma	46.6%	49.7%	45.5%	51.1%	47.6%
South Carolina	41.6%	44.0%	41.6%	45.0%	42.9%
Tennessee	40.1%	43.1%	40.4%	44.2%	42.1%
Virginia	52.0%	53.5%	49.8%	53.6%	50.8%
Wisconsin	81.3%	73.1%	73.1%	67.0%	67.0%
Median	50.5%	52.6%	48.7%	53.5%	50.0%
Minimum	36.7%	39.1%	37.7%	40.0%	38.8%
Maximum	81.3%	73.2%	73.2%	70.5%	67.7%

Note: The 1998 federal poverty guidelines are:

For a mother with one child, \$10,850 in all states except Alaska (\$13,570) and Hawaii (\$12,480).

For a mother with two children, \$13,650 in all states except Alaska (\$17,070) and Hawaii (\$15,700).

For a mother with three children, \$16,450 in all states except Alaska (\$20,570) and Hawaii (\$18,920).

Source: Table prepared by Congressional Research Service (CRS).