CENTER ON BUDGET AND POLICY PRIORITIES

Revised October 1, 1999

FOR IMMEDIATE RELEASE:
Revised October 1, 1999

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LOW UNEMPLOYMENT, RISING WAGES FUEL POVERTY DECLINE

Concerns Remain Amidst the Good News

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Continued economic growth led to a significant reduction in poverty in 1998, as the poverty rate declined to 12.7 percent. The reduction in poverty appears to have been driven largely by a drop in unemployment to the lowest level in 30 years as well as a significant rise in the wages of low-paid workers, itself apparently a product of the low levels of unemployment (tight labor markets tend to push up wages) and an increase in the minimum wage.

The poverty rate for children fell to 18.9 percent last year, the first time it has been below 19 percent since 1980. Poverty rates also fell for Hispanics and non-Hispanic whites. The black poverty rate was not statistically different from its level for 1997, when it reached an all-time low.

The poverty rate for the South, historically the region with the highest poverty rate, also reached its lowest point on record. In fact, most of the drop in poverty in 1998 occurred in the South. The number of poor people declined 1.1 million nationally; 760,000 of this decline — 69 percent of it — occurred in the South. There was no statistically significant change in the number or percentage of poor people in any of the other three regions.

Poverty also declined outside metropolitan areas, while registering no statistically significant change within metro areas. Median household income, however, did increase both within and outside metro areas, as well as in all regions of the country. Median income rose for non-Hispanic whites and Hispanics as well, while remaining unchanged for blacks.

"Last year's 4.5 percent unemployment rate is the big story here," commented Robert Greenstein, the Center's executive director. "These data show how important low unemployment is in reducing poverty."

Some Data Remain Disturbing

But even with this good news about falling poverty rates, Greenstein added, significant challenges remain. The poverty rate last year remained higher than in nearly all years of the 1970s, even though the unemployment rate was considerably lower last year than in any year of the 1970s. In addition, child poverty continues to be higher than in most other industrialized nations, including Canada and most western European countries. And more than one in every three black and Hispanic children remain poor.

Also of concern, the number of full-time year-round workers with incomes below the poverty line rose by 459,000 in 1998.

"For an economy this strong," Greenstein said, "the poverty rate is still too high."

The new Census data show particularly striking poverty rates among young children in female-headed families. Some 55 percent of related children under six in female-headed families lived in poverty last year. Among related *black* children under six in such families, 60 percent were poor. Among related Hispanic children under six in these families, 67 percent — two of every three — were poor.

The Census data also show that poor families are poorer, on average, than they were a few years ago. The average amount by which the incomes of poor families fall below the poverty line was $245 greater per family member in 1998 than in 1995. (This measure of how the incomes of poor families compare to the poverty line counts food stamps, housing subsidies, and the Earned Income Tax Credit as income, as many analysts believe should be done.)

Part of this increase in the depth of poverty amidst economic growth has occurred among poor families with children and appears to reflect sharp decreases in the proportions of poor children and families that receive cash assistance and food stamp benefits. The percentage of poor children whose families receive cash assistance benefits fell from 62 percent in 1994 to 43 percent in 1998. The percentage of poor children whose families receive food stamps dropped from 94 percent to 75 percent during the same period.(1)

Finally, the Census data show that while income disparities between rich and poor did not widen further in 1998, these gaps remain at their widest point since the Census Bureau began collecting these data several decades ago. The average income of the most affluent households increased substantially between 1989 and 1998. (The year 1989 is used as the comparison year here because it was the last year before the recession of the 1990s.) But among the middle fifth of households, average income rose only modestly between 1989 and 1998, and the average income of the poorest fifth of households failed to register any increase at all. The fact that income disparities have widened substantially since the late 1970s, with a disproportionate share of the gains from economic growth accruing to higher-income households and far less to those at the bottom of the income scale, is one of the reasons that poverty rates remained higher in 1998 than in any year of the 1970s.

Economy Boosts the Recovery

The improvement in poverty and income in 1998 appears primarily due to the strength of the economy. The 1998 unemployment rate of 4.5 percent was the lowest since 1969. In addition, between 1996 and 1998, the average hourly wages of the lowest-paid workers increased, after declining for much of the previous two decades. The year 1998 also was the first full year that the increase in the minimum wage to $5.15 per hour was in effect.

A study that the Economic Policy Institute issued earlier this year found wage increases to be particularly strong for very low-paid workers between 1996 and 1998, due to both the tight labor market and the increase in the minimum wage.(2) Among male workers with hourly wages at the 10th percentile of all male workers, hourly wages increased 4.7 percent between 1996 and 1998, after adjusting for inflation. (Workers with wages at the 10th percentile have wages lower than 90 percent of all wage-earners, and higher than the remaining 10 percent of wage-earners.) Female workers with hourly wages at the 10th percentile of all female workers saw a 7.4 percent real increase in hourly wages during the same period. Wages for both male and female workers at these wage levels had fallen for most of the previous two decades, after adjusting for inflation.

The effects of increased wages and low unemployment on the economic situation of low-wage and minority workers highlight the significance of policies that maintain low unemployment rates and restore the value of the minimum wage.

Not all of the news related to low wage workers in 1998 was positive, however. The number of full-time year-round workers with incomes below the poverty line increased by 459,000 in 1998, as the poverty rate among these workers rose. Even so, the poverty rate among full-time year-round workers remains quite low.(3)

Child Poverty Rate Remains High

Despite the reduction in poverty among children, the level of the child poverty rate — 18.9 percent — remains high compared to rates in other advanced industrialized countries. According to data from the 25-nation Luxembourg Income Study, child poverty rates are higher in the United States than in most countries of western Europe and Canada.(4)

Child poverty also remains high by historical standards. Although the child poverty rate for 1998 appears to be the lowest since 1980, the child poverty rate was considerably lower in the late 1960s and all years of the 1970s. The child poverty rate ranged between 14.4 percent and 16.6 percent from 1967 to 1979, with the sole exception of the 1975 recession year, when it climbed to 17.1 percent.

Income Inequality Continues at Record Levels

The most affluent fifth of households (that is, the top 20 percent of households) received a significantly larger share of the national income in 1998 than in 1989, the peak year of the recovery of the 1980s (and the last year before the recession that began in 1990). Each of the other four fifths of the population received a smaller share of the national income last year than in 1989. Income disparities have widened over the current business cycle.

In 1998, the richest fifth of households received nearly half — 49.2 percent — of all national before-tax income. The remaining four-fifths shared the other half. Since 1993, the share of the national income before taxes that goes to the richest fifth of households has been larger than at any time since the Census Bureau began collecting these data in the late 1960s.

Furthermore, from 1989 to 1998, the income of the poorest fifth of households failed to increase despite the tremendous growth of the economy. The average income of these households was $9,200 in 1989 and $9,223 in 1998, a virtually identical figure. Among the next-to-the poorest fifth of households, average income before taxes rose only two percent between 1989 and 1998, while among the middle fifth of households, income climbed three percent, or about $1,000. By contrast, among the top fifth of households — and especially among the top five percent — the income gains were much greater in both percentage terms and dollar terms, with the average income of the top five percent of households

Numbers and rates of poor kids under various poverty definitions

	1990	1991	1992	1993	1994	1995	1996	1997	1998	97-96	% chg	98-97	% chg
Official	13,431,398	14,341,027	14,616,764	15,727,493	15,288,905	14,665,011	14,463,480	14,113,067	13,466,544	(350)	-2.4%	(647)	-4.6%
No transfers	15,333,632	16,477,586	16,910,134	18,284,588	17,940,160	17,147,171	16,690,048	16,316,426	15,378,315	(374)	-2.2%	(938)	-5.7%
Only soc insur	14,239,512	15,088,748	15,442,437	16,685,274	16,324,104	15,716,822	15,425,883	14,890,182	14,130,959	(536)	-3.5%	(759)	-5.1%
With means-tested	11,630,809	12,432,890	12,812,994	13,874,018	13,212,322	12,476,041	12,575,663	12,511,454	11,749,133	(64)	-0.5%	(762)	-6.1%
With fed income and fica	12,736,103	13,434,114	13,883,720	15,166,445	14,668,306	13,402,086	13,763,166	13,503,486	12,855,286	(260)	-1.9%	(648)	-4.8%
With eitc	11,971,633	12,478,932	12,754,194	14,096,084	12,920,817	11,442,690	11,346,794	11,095,684	10,249,959	(251)	-2.2%	(846)	-7.6%
With state tax	12,207,332	12,649,067	12,965,638	14,381,199	13,124,638	11,517,469	11,443,413	11,163,056	10,350,478	(280)	-2.4%	(813)	-7.3%
All kids	65,048,501	65,917,931	66,834,026	69,291,706	70,020,049	70,566,187	70,649,971	71,068,614	71,338,364	419	0.6%	270	0.4%

Official	20.65%	21.76%	21.87%	22.70%	21.84%	20.78%	20.47%	19.86%	18.88%
No transfers	23.57%	25.00%	25.30%	26.39%	25.62%	24.30%	23.62%	22.96%	21.56%
Only soc insur	21.89%	22.89%	23.11%	24.08%	23.31%	22.27%	21.83%	20.95%	19.81%
With means-tested	17.88%	18.86%	19.17%	20.02%	18.87%	17.68%	17.80%	17.60%	16.47%
With fed income and fica	19.58%	20.38%	20.77%	21.89%	20.95%	18.99%	19.48%	19.00%	18.02%
With eitc	18.40%	18.93%	19.08%	20.34%	18.45%	16.22%	16.06%	15.61%	14.37%
With state tax	18.77%	19.19%	19.40%	20.75%	18.74%	16.32%	16.20%	15.71%	14.51%
All kids	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Numbers and rates of kids under 50% of poverty with various income definitions

	1990	1991	1992	1993	1994	1995	1996	1997	1998	97-96	% chg	98-97	% chg
Official measure	5,753,757	6,447,831	6,848,585	7,017,239	6,887,887	5,970,058	6,330,329	6,363,687	5,774,094	33	0.5%	(590)	-9.3%
No transfers	9,586,939	10,603,684	10,975,169	11,693,378	11,226,655	10,545,453	10,369,817	10,032,055	8,734,205	(338)	-3.3%	(1,298)	-12.9%
Only soc insur	8,347,592	9,148,093	9,318,474	10,093,436	9,712,069	8,996,347	8,844,950	8,318,293	7,389,037	(527)	-6.0%	(929)	-11.2%
With means-tested	2,515,674	2,884,731	3,250,385	3,198,920	3,059,788	2,987,463	3,049,667	3,323,754	3,181,878	274	9.0%	(142)	-4.3%
With fed income and fica	2,727,173	3,080,696	3,442,828	3,563,923	3,581,972	3,174,979	3,233,938	3,546,503	3,397,889	313	9.7%	(149)	-4.2%
With eitc	2,500,794	2,804,413	3,133,630	3,228,888	3,109,570	2,693,280	2,534,551	2,949,366	2,812,745	415	16.4%	(137)	-4.6%
With state tax	2,590,548	2,860,547	3,245,323	3,400,256	3,262,752	2,698,714	2,540,568	2,955,446	2,831,291	415	16.3%	(124)	-4.2%
All kids	65,048,501	65,917,931	66,834,026	69,291,706	70,020,049	70,566,187	70,649,971	71,068,614	71,338,364	419	0.6%	270	0.4%

Official measure	8.85%	9.78%	10.25%	10.13%	9.84%	8.46%	8.96%	8.95%	8.09%
No transfers	14.74%	16.09%	16.42%	16.88%	16.03%	14.94%	14.68%	14.12%	12.24%
Only soc insur	12.83%	13.88%	13.94%	14.57%	13.87%	12.75%	12.52%	11.70%	10.36%
With means-tested	3.87%	4.38%	4.86%	4.62%	4.37%	4.23%	4.32%	4.68%	4.46%
With fed income and fica	4.19%	4.67%	5.15%	5.14%	5.12%	4.50%	4.58%	4.99%	4.76%
With eitc	3.84%	4.25%	4.69%	4.66%	4.44%	3.82%	3.59%	4.15%	3.94%
With state tax	3.98%	4.34%	4.86%	4.91%	4.66%	3.82%	3.60%	4.16%	3.97%
All kids	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Calculations from Census Bureau Current Population Survey Data (March 1991-99)
Includes all children.

Same as CDF

Children in Female Headed Families Under 50% of Poverty

	1990	1991	1992	1993	1994	1995	1996	1997	1998	97-96	% chg	98-97	% chg
Official	4,115,352	4,441,150	4,801,860	4,819,280	4,724,972	4,159,758	4,398,511	4,394,186	4,006,114	(4)	-0.1%	(388)	-8.8%
No transfers	6,648,723	7,057,385	7,294,691	7,791,202	7,614,994	7,233,843	6,974,862	6,616,380	5,953,827	(358)	-5.1%	(663)	-10.0%
Only soc insur	6,014,166	6,464,533	6,577,017	7,105,781	6,777,402	6,421,075	6,141,492	5,719,973	5,270,033	(422)	-6.9%	(450)	-7.9%
With means-tested	1,502,116	1,641,107	1,942,907	1,762,392	1,699,493	1,688,773	1,733,463	1,967,443	1,862,371	234	13.5%	(105)	-5.3%
With fed income and fica	1,572,144	1,677,522	1,999,281	1,838,790	1,781,923	1,732,295	1,796,615	2,050,663	1,964,880	254	14.1%	(86)	-4.2%
With eitc	1,459,703	1,583,805	1,901,116	1,699,310	1,622,337	1,580,663	1,441,382	1,810,681	1,725,739	369	25.6%	(85)	-4.7%
With state tax	1,463,491	1,583,805	1,901,116	1,703,459	1,623,905	1,582,832	1,441,382	1,813,127	1,736,346	372	25.8%	(77)	-4.2%
All kids in female-hd fams	14,552,699	15,278,740	15,597,744	16,655,870	16,732,360	17,356,821	16,946,435	16,883,899	17,155,812	(63)	-0.4%	272	1.6%

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decline - ?

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	1990	1991	1992	1993	1994	1995	1996	1997	1998
Official	28.28%	29.07%	30.79%	28.93%	28.24%	23.97%	25.96%	26.03%	23.35%
No transfers	45.69%	46.19%	46.77%	46.78%	45.51%	41.68%	41.16%	39.19%	34.70%
Only soc insur	41.33%	42.31%	42.17%	42.66%	40.50%	36.99%	36.24%	33.88%	30.72%
With means-tested	10.32%	10.74%	12.46%	10.58%	10.16%	9.73%	10.23%	11.65%	10.86%
With fed income and fica	10.80%	10.98%	12.82%	11.04%	10.65%	9.98%	10.60%	12.15%	11.45%
With eitc	10.03%	10.37%	12.19%	10.20%	9.70%	9.11%	8.51%	10.72%	10.06%
With state tax	10.06%	10.37%	12.19%	10.23%	9.71%	9.12%	8.51%	10.74%	10.12%
All kids in female-hd fams	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Children in All Families Under 50% of Poverty

	1990	1991	1992	1993	1994	1995	1996	1997	1998	97-96	% chg	98-97	% chg
Official	5,607,984	6,282,732	6,695,116	6,832,405	6,703,953	5,746,276	6,097,203	6,131,835	5,576,771	35	0.6%	(555)	-9.1%
No transfers	9,426,258	10,414,196	10,808,882	11,493,436	11,026,104	10,311,230	10,107,230	9,768,971	8,512,381	(338)	-3.3%	(1,257)	-12.9%
Only soc insur	8,194,480	8,970,231	9,159,691	9,897,060	9,523,084	8,765,926	8,593,227	8,065,996	7,180,835	(527)	-6.1%	(885)	-11.0%
With means-tested	2,374,596	2,722,388	3,105,310	3,022,835	2,886,109	2,765,701	2,829,841	3,107,053	2,999,967	277	9.8%	(107)	-3.4%
With fed income and fica	2,582,223	2,918,353	3,293,547	3,385,022	3,405,132	2,953,218	3,006,929	3,327,538	3,211,140	321	10.7%	(116)	-3.5%
With eitc	2,359,871	2,643,952	2,986,206	3,054,065	2,933,801	2,472,654	2,307,542	2,733,681	2,629,938	426	18.5%	(104)	-3.8%
With state tax	2,449,625	2,700,086	3,097,899	3,225,433	3,086,984	2,478,088	2,313,559	2,739,762	2,648,484	426	18.4%	(91)	-3.3%
All kids in families	64,796,602	65,663,386	66,619,148	69,008,163	69,729,082	70,243,297	70,282,583	70,667,554	70,970,157	385	0.5%	303	0.4%

	1990	1991	1992	1993	1994	1995	1996	1997	1998
Official	8.65%	9.57%	10.05%	9.90%	9.61%	8.18%	8.68%	8.68%	7.86%
No transfers	14.55%	15.86%	16.22%	16.66%	15.81%	14.68%	14.38%	13.82%	11.99%
Only soc insur	12.65%	13.66%	13.75%	14.34%	13.66%	12.48%	12.23%	11.41%	10.12%
With means-tested	3.66%	4.15%	4.66%	4.38%	4.14%	3.94%	4.03%	4.40%	4.23%
With fed income and fica	3.99%	4.44%	4.94%	4.91%	4.88%	4.20%	4.28%	4.71%	4.52%
With eitc	3.64%	4.03%	4.48%	4.43%	4.21%	3.52%	3.28%	3.87%	3.71%
With state tax	3.78%	4.11%	4.65%	4.67%	4.43%	3.53%	3.29%	3.88%	3.73%
All kids in families	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Calculations from Census Bureau Current Population Survey Data (March 1991-99)

Includes children in all families.

← def of fams, diff from CDF

Children in Female Headed Families Under 50% of Poverty (Census Definition)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	97-96	% chg	98-97	% chg
Official	3,818,652	4,198,095	4,479,478	4,534,331	4,476,733	3,952,129	4,176,554	4,179,047	3,813,481	2	0.1%	(366)	-8.7%
No transfe	6,281,570	6,697,617	6,864,182	7,395,076	7,257,865	6,944,551	6,657,630	6,307,053	5,718,117	(351)	-5.3%	(589)	-9.3%
Only soc i	5,652,545	6,134,480	6,179,452	6,731,369	6,441,583	6,158,953	5,865,789	5,465,056	5,038,611	(401)	-6.8%	(426)	-7.8%
With mea	1,236,114	1,446,187	1,681,935	1,522,088	1,526,709	1,535,884	1,552,994	1,785,038	1,683,331	232	14.9%	(102)	-5.7%
With fed i	1,301,029	1,482,602	1,738,309	1,586,677	1,596,638	1,577,590	1,605,302	1,862,116	1,785,839	257	16.0%	(76)	-4.1%
With eitc	1,200,949	1,391,780	1,646,131	1,466,854	1,456,345	1,432,192	1,293,980	1,635,235	1,560,065	341	26.4%	(75)	-4.6%
With stat	1,204,736	1,391,780	1,646,131	1,471,004	1,457,913	1,434,361	1,293,980	1,635,235	1,570,672	341	26.4%	(65)	-3.9%
ALL	13,793,328	14,545,436	14,800,757	15,844,116	15,923,553	16,636,608	16,212,629	16,174,531	16,550,219	(38)	-0.2%	376	2.3%

Official	27.68%	28.86%	30.27%	28.62%	28.11%	23.76%	25.76%	25.84%	23.04%
No transfe	45.54%	46.05%	46.38%	46.67%	45.58%	41.74%	41.06%	38.99%	34.55%
Only soc i	40.98%	42.17%	41.75%	42.48%	40.45%	37.02%	36.18%	33.79%	30.44%
With mea	8.96%	9.94%	11.36%	9.61%	9.59%	9.23%	9.58%	11.04%	10.17%
With fed i	9.43%	10.19%	11.74%	10.01%	10.03%	9.48%	9.90%	11.51%	10.79%
With eitc	8.71%	9.57%	11.12%	9.26%	9.15%	8.61%	7.98%	10.11%	9.43%
With stat	8.73%	9.57%	11.12%	9.28%	9.16%	8.62%	7.98%	10.11%	9.49%
All kids	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Children in All Related Families Under 50% of Poverty (Census Definition)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	97-96	% chg	98-97	% chg
Official	5,286,174	6,022,374	6,365,189	6,533,911	6,442,449	5,517,366	5,853,786	5,906,803	5,355,023	53	0.9%	(552)	-9.3%
No transfe	9,024,429	10,035,035	10,353,278	11,072,461	10,655,712	10,000,657	9,755,565	9,447,851	8,243,342	(308)	-3.2%	(1,205)	-12.7%
Only soc i	7,801,531	8,620,785	8,748,437	9,507,758	9,174,001	8,482,523	8,296,065	7,801,185	6,916,084	(495)	-6.0%	(885)	-11.3%
With mea	2,096,174	2,511,943	2,836,793	2,768,986	2,703,363	2,593,524	2,638,710	2,914,754	2,791,811	276	10.5%	(123)	-4.2%
With fed i	2,298,688	2,704,529	3,022,328	3,119,363	3,207,633	2,779,224	2,804,955	3,129,097	3,002,984	324	11.6%	(126)	-4.0%
With eitc	2,088,696	2,436,403	2,725,042	2,808,064	2,757,847	2,304,894	2,154,074	2,551,840	2,438,918	398	18.5%	(113)	-4.4%
With stat	2,178,450	2,492,536	2,836,735	2,979,432	2,911,030	2,310,329	2,160,091	2,555,474	2,457,464	395	18.3%	(98)	-3.8%
ALL	63,908,428	64,800,344	65,691,127	68,039,506	68,818,873	69,424,756	69,411,252	69,844,327	70,253,432	433	0.6%	409	0.6%

Official	8.27%	9.29%	9.69%	9.60%	9.36%	7.95%	8.43%	8.46%	7.62%
No transfe	14.12%	15.49%	15.76%	16.27%	15.48%	14.41%	14.05%	13.53%	11.73%
Only soc i	12.21%	13.30%	13.32%	13.97%	13.33%	12.22%	11.95%	11.17%	9.84%
With mea	3.28%	3.88%	4.32%	4.07%	3.93%	3.74%	3.80%	4.17%	3.97%
With fed i	3.60%	4.17%	4.60%	4.58%	4.66%	4.00%	4.04%	4.48%	4.27%
With eitc	3.27%	3.76%	4.15%	4.13%	4.01%	3.32%	3.10%	3.65%	3.47%
With stat	3.41%	3.85%	4.32%	4.38%	4.23%	3.33%	3.11%	3.66%	3.50%
All kids	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Calculations from Census Bureau Current Population Survey Data (March 1991-99)
Includes only children in primary and related subfamilies.

Subtracts soc insurance, vets, means testing

Aggregrate difference between family income and family poverty level

	1990	1991	1992	1993	1994	1995	1996	1997	1998
Married Couple									
Official	$10,389,369,053	$12,395,424,233	$12,940,425,489	$14,864,398,688	$14,465,299,882	$12,340,604,759	$12,917,316,958	$12,853,495,667	$12,661,123,041
No transfers	17,453,414,506	20,862,430,815	22,379,913,492	25,567,925,568	23,500,193,014	21,088,793,930	21,334,661,788	21,459,315,555	18,883,063,998
Only soc insur	13,628,954,761	15,786,699,995	16,551,368,911	19,155,668,160	18,602,887,399	16,001,440,190	16,510,128,474	15,944,024,599	14,540,344,095
With means-tested	7,847,175,127	9,300,501,530	9,655,065,761	11,291,848,827	10,996,437,013	9,347,396,169	9,768,450,897	10,301,571,331	10,141,838,953
With fed income and fica	9,346,945,073	10,817,434,973	11,187,645,266	13,863,520,969	14,274,282,348	10,726,754,870	11,294,170,458	11,744,243,437	11,717,208,289
With eitc	8,241,306,370	9,402,704,597	9,527,884,347	12,074,200,159	11,601,323,078	7,820,126,553	7,953,142,773	8,495,756,344	8,274,588,360
With state tax	8,970,305,554	9,851,708,611	10,357,567,514	13,381,825,247	12,766,650,911	7,915,096,651	8,012,228,477	8,581,773,362	8,430,626,684
Male Head									
Official	$1,306,349,560	$1,683,511,043	$2,101,483,536	$2,323,486,130	$2,263,529,380	$2,292,048,923	$2,462,017,019	$2,732,227,273	$2,328,120,866
No transfers	2,217,162,006	2,809,971,600	3,303,983,006	3,640,049,853	3,872,692,767	3,639,912,685	4,099,859,414	4,278,007,702	3,727,519,059
Only soc insur	1,640,255,910	2,120,577,557	2,589,332,766	2,831,268,114	2,957,150,098	2,850,856,130	3,121,763,967	3,108,327,859	2,720,595,859
With means-tested	1,033,068,994	1,287,859,123	1,661,462,818	1,835,403,167	1,641,032,362	1,750,815,962	1,905,733,564	2,259,732,395	1,933,468,613
With fed income and fica	1,115,525,199	1,401,230,636	1,778,766,091	1,974,381,953	1,800,521,579	1,899,938,500	2,100,799,072	2,429,043,774	2,105,921,765
With eitc	1,024,847,987	1,240,716,743	1,603,688,741	1,790,932,373	1,479,800,944	1,528,114,449	1,600,352,988	2,039,538,611	1,688,543,733
With state tax	1,029,380,032	1,244,760,080	1,607,807,401	1,808,837,364	1,484,773,621	1,533,208,197	1,606,264,513	2,046,210,834	1,696,371,131
Female Head									
Official	$22,104,408,474	$24,975,103,398	$26,719,459,588	$28,830,898,053	$27,414,715,842	$25,828,421,421	$27,549,607,423	$27,891,735,088	$26,508,214,202
No transfers	36,629,268,702	41,067,432,888	43,271,129,470	47,981,336,017	46,311,446,988	43,187,583,273	44,452,987,338	43,262,682,091	39,516,310,443
Only soc insur	32,844,479,288	36,826,037,499	38,223,330,913	42,551,131,183	40,491,384,479	37,887,282,560	38,648,524,366	37,140,952,568	34,295,760,410
With means-tested	13,119,612,469	14,741,029,094	16,411,735,125	17,293,237,236	16,319,182,767	15,456,455,970	16,804,074,108	17,794,261,534	17,380,688,701
With fed income and fica	13,692,199,295	15,389,281,912	17,045,036,310	17,998,375,849	17,114,533,094	16,226,745,651	17,665,725,591	18,765,708,367	18,386,932,254
With eitc	12,973,478,605	14,420,126,822	15,991,682,144	16,787,409,455	15,300,490,350	14,173,283,352	15,083,928,333	15,956,720,614	15,366,901,701
With state tax	13,004,772,605	14,420,126,822	16,009,364,466	16,833,222,824	15,351,430,882	14,198,572,577	15,109,010,330	15,996,619,173	15,402,601,472
All Families									
Official	$33,800,127,087	$39,054,038,674	$41,761,368,613	$46,018,782,870	$44,143,545,104	$40,461,075,103	$42,928,941,400	$43,477,458,028	$41,497,458,109
No transfers	56,299,845,215	64,739,835,303	68,955,025,969	77,189,311,438	73,684,332,768	67,916,289,888	69,887,508,540	69,000,005,348	62,126,893,499
Only soc insur	48,113,689,959	54,733,315,051	57,364,032,590	64,538,067,456	62,051,421,976	56,739,578,880	58,280,416,807	56,193,305,026	51,556,700,364
With means-tested	21,999,856,591	25,329,389,747	27,728,263,704	30,420,489,231	28,956,652,142	26,554,668,100	28,478,258,568	30,355,565,259	29,455,996,266
With fed income and fica	24,154,669,567	27,607,947,520	30,011,447,667	33,836,278,771	33,189,337,021	28,853,439,021	31,060,695,121	32,938,995,579	32,210,062,309
With eitc	22,239,632,962	25,038,622,466	27,123,255,233	30,652,541,987	28,381,614,372	23,521,524,355	24,637,424,093	26,492,015,569	25,330,033,793
With state tax	23,004,458,192	25,516,595,513	27,974,739,381	32,023,885,434	29,602,855,414	23,646,877,425	24,727,503,319	26,624,603,369	25,529,599,287

Source: Calculations from Census Bureau Current Population Survey Data (March 1990-98) and deflated by the Consumer Price Index
Note: 'Family' includes unrelated subfamilies and only includes families with related children

Aggregrate difference between family income and family poverty level ($1998)

	1990	1991	1992	1993	1994	1995	1996	1997	1998
Married Couple									
Official	$12,956,902,491	$14,834,465,125	$15,034,136,527	$16,767,453,191	$15,909,877,738	$13,198,940,786	$13,419,519,848	$13,053,705,880	$12,661,123,041
No transfers	21,766,691,389	24,967,519,992	26,000,897,357	28,841,327,803	25,847,040,899	22,555,599,807	22,164,116,453	21,793,572,807	18,883,063,998
Only soc insur	16,997,089,717	18,893,040,376	19,229,316,696	21,608,123,945	20,460,665,628	17,114,401,253	17,152,013,647	16,192,373,892	14,540,344,095
With means-tested	9,786,454,061	11,130,556,163	11,217,218,240	12,737,518,054	12,094,596,715	9,997,543,146	10,148,231,333	10,462,031,944	10,141,838,953
With fed income and fica	11,656,863,404	12,945,975,775	12,997,763,210	15,638,435,418	15,699,784,229	11,472,841,495	11,733,268,226	11,927,175,578	11,717,208,289
With eitc	10,277,987,286	11,252,869,671	11,069,459,362	13,620,032,013	12,759,889,755	8,364,046,117	8,262,347,177	8,628,088,997	8,274,588,360
With state tax	11,187,144,647	11,790,223,962	12,033,382,073	15,095,069,310	14,041,593,107	8,465,621,746	8,323,730,030	8,715,445,844	8,430,626,684
Male Head									
Official	$1,629,188,816	$2,014,774,596	$2,441,495,484	$2,620,956,672	$2,489,576,848	$2,451,469,648	$2,557,735,973	$2,774,785,330	$2,328,120,866
No transfers	2,765,091,102	3,362,888,185	3,838,554,740	4,106,076,997	4,259,439,413	3,893,082,465	4,259,254,840	4,344,643,336	3,727,519,059
Only soc insur	2,045,613,721	2,537,842,451	3,008,276,841	3,193,748,807	3,252,466,032	3,049,144,024	3,243,132,738	3,156,744,181	2,720,595,859
With means-tested	1,288,372,196	1,541,270,463	1,930,281,107	2,070,385,579	1,804,914,136	1,872,591,876	1,979,825,181	2,294,930,719	1,933,468,613
With fed income and fica	1,391,205,872	1,676,950,026	2,066,563,598	2,227,157,497	1,980,330,752	2,032,086,453	2,182,474,498	2,466,879,347	2,105,921,765
With eitc	1,278,119,525	1,484,851,902	1,863,159,407	2,020,221,293	1,627,581,335	1,634,400,625	1,662,571,938	2,071,307,126	1,688,543,733
With state tax	1,283,771,578	1,489,690,845	1,867,944,451	2,040,418,618	1,633,050,608	1,639,848,662	1,668,713,292	2,078,083,276	1,696,371,131
Female Head									
Official	$27,567,089,375	$29,889,440,924	$31,042,565,309	$32,522,051,091	$30,152,487,734	$27,624,886,428	$28,620,688,400	$28,326,185,790	$26,508,214,202
No transfers	45,681,490,424	49,148,249,345	50,272,231,672	54,124,275,230	50,936,341,829	46,191,444,052	46,181,242,423	43,936,555,644	39,516,310,443
Only soc insur	40,961,362,846	44,072,276,889	44,407,718,737	47,998,853,860	44,535,058,503	40,522,487,252	40,151,111,993	37,719,472,078	34,295,760,410
With means-tested	16,361,873,240	17,641,613,380	19,067,090,701	19,507,250,308	17,948,898,725	16,531,511,306	17,457,387,378	18,071,430,717	17,380,688,701
With fed income and fica	17,075,963,926	18,417,422,553	19,802,857,580	20,302,666,183	18,823,676,750	17,355,377,566	18,352,538,377	19,058,009,120	18,386,932,254
With eitc	16,179,625,192	17,257,567,342	18,579,074,765	18,936,662,569	16,828,474,541	15,159,089,149	15,670,365,317	16,205,267,664	15,366,901,701
With state tax	16,218,652,904	17,257,567,342	18,599,618,018	18,988,341,317	16,884,502,252	15,186,137,336	15,696,422,459	16,245,787,696	15,402,601,472
All Families									
Official	$42,153,180,682	$46,738,680,645	$48,518,197,319	$51,910,460,954	$48,551,942,321	$43,275,296,862	$44,597,944,221	$44,154,677,000	$41,497,458,109
No transfers	70,213,272,915	77,478,657,521	80,111,683,770	87,071,680,030	81,042,822,140	72,640,126,324	72,604,613,716	70,074,771,786	62,126,893,499
Only soc insur	60,004,066,284	65,503,159,716	66,645,312,275	72,800,726,611	68,248,190,163	60,686,032,529	60,546,258,378	57,068,590,151	51,556,700,364
With means-tested	27,436,699,498	30,313,440,006	32,214,590,048	34,315,153,942	31,848,409,576	28,401,646,327	29,585,443,892	30,828,393,378	29,455,996,266
With fed income and fica	30,124,033,201	33,040,348,354	34,867,184,389	38,168,259,098	36,503,791,730	30,860,305,515	32,268,281,101	33,452,064,046	32,210,062,309
With eitc	27,735,732,003	29,965,458,605	31,511,693,535	34,576,915,875	31,215,945,632	25,157,535,892	25,595,284,431	26,904,663,787	25,330,033,793
With state tax	28,689,569,130	30,537,482,148	32,500,944,541	36,123,829,244	32,559,145,968	25,291,607,745	25,688,865,781	27,039,316,817	25,529,599,287

Source: Calculations from Census Bureau Current Population Survey Data (March 1990-98) and inflated by the Consumer Price Index
Note: 'Family' includes unrelated subfamilies and only includes families with related children

female-headed families

	quintile (1)	1990	1991	1992	1993	1994	1995	1996	1997	1998
average	1	$6,001	$5,995	$6,063	$6,241	$6,814	$7,068	$7,016	$6,904	$7,190
disposable	2	10,941	11,109	11,256	11,614	12,242	13,193	13,319	13,972	14,395
income,	3	14,663	14,906	15,339	16,252	16,995	17,979	18,122	18,864	20,550
comprehensive	4	21,234	21,518	21,978	22,886	23,660	25,212	25,948	27,257	28,505
definition	5	36,060	36,607	38,113	39,790	40,307	41,992	46,177	47,804	49,513
	quintile (1)									
average	1	$4,090	$4,413	$4,250	$4,501	$4,779	$4,561	$4,304	$4,097	$3,779
means-tested	2	4,086	4,341	4,203	4,478	4,245	4,189	3,783	3,493	2,980
benefits	3	1,427	1,727	1,629	1,896	2,127	2,025	1,703	1,437	1,465
	4	447	524	555	724	697	814	622	554	538
	5	141	137	197	241	266	273	232	252	188

(Year spans columns 1990–1998.)

(incl benefits + taxes.

CBPP showed most income had declined, 96-97; now we see it's going up.

They are making up w/ wrk, the income they lost w/ benefits

Doing it for all fams + all fams w/children

(Cumulated w/ [illegible] of income definition

means tested going down in 1st + 2nd quintile

(1) Quintiles are determined for each group (female-headed families, all individuals, all families with children) Thus the quintile income breaks differ for each group.

Aggregate #s

female heads of primary families, related or unrelated subfamilies with children	1993	1997 dollars	1995	1997 dollars	1998	93-95	95-98
	144.5		152.4		163		
families	10,965,338		10,950,619		10,933,384		
pre-transfer income	201,533,442,881	227,335,302,350	233,293,743,625	249,520,211,357	273,587,534,575	22,184,909,007	24,067,323,218
pre-welfare income	217,565,158,591	245,419,521,456	250,230,556,458	267,635,043,981	290,250,078,320	22,215,522,525	22,615,034,339
post-transfer income	253,131,051,771	285,538,833,486	284,228,624,942	303,997,807,517	316,017,799,329	18,458,974,031	12,019,991,812
post-tax, post-transfer income	227,203,835,552	256,292,215,882	259,525,891,272	277,576,904,707	289,022,797,042	21,284,688,825	11,445,892,335
earnings	173,356,181,259	195,550,571,247	201,122,612,359	215,111,455,476	240,307,542,278	19,560,884,229	25,196,086,802
child support	10,415,394,923	11,748,853,789	11,893,182,350	12,720,398,445	12,820,908,843	971,544,657	100,510,398
other pre-transfer	17,761,866,699	20,035,877,314	20,277,948,916	21,688,357,436	20,459,083,454	1,652,480,122	(1,229,273,982)
social insurance	16,031,715,710	18,084,219,105	16,936,812,833	18,114,832,623	16,662,543,745	30,613,518	(1,452,288,878)
means-tested cash	19,002,972,876	21,435,879,438	17,655,881,519	18,883,915,273	11,394,492,225	(2,551,964,165)	(7,489,423,048)
school lunch	2,631,641,808	2,968,564,808	2,905,252,043	3,107,323,379	3,017,567,282	138,758,571	(89,756,097)
food stamps	9,327,903,668	10,522,133,549	9,281,219,481	9,926,763,618	7,092,471,902	(595,369,931)	(2,834,291,716)
housing	4,603,374,828	5,192,734,235	4,155,715,442	4,444,761,267	4,263,189,600	(747,972,969)	(181,571,667)
taxes	(31,145,638,292)	(35,133,142,156)	(34,799,245,286)	(37,219,665,234)	(40,081,338,576)	(2,086,523,078)	(2,861,673,343)
EITC	5,218,422,072	5,886,524,552	10,096,511,616	10,798,762,424	13,086,336,290	4,912,237,872	2,287,573,866
effect on transfers of a dollar of earnings						(0.19)	(0.48)
effect on taxes of a dollar of earnings						0.14	(0.02)

Females w/ children heads of HHs

1998 (slight drop ?)
over 10 million
female headed
households

female heads of primary families, related or unrelated subfamilies with children		1993	1994	1995	1996	1997	1998	
pre-tax, pre-transfer								
family size — by quintile		3.47	3.51	3.59	3.44	3.49	3.48	- avg size of fam
	bottom	3.46	3.57	3.58	3.34	3.53	3.38	
	second	3.26	3.32	3.39	3.25	3.35	3.29	
	middle	3.19	3.26	3.33	3.21	3.22	3.29	
	fourth	3.39	3.46	3.55	3.34	3.32	3.35	
	top	4.05	3.96	4.10	4.05	4.03	4.10	
related children		1.84	1.89	1.92	1.83	1.86	1.87	- avg # of children
	bottom	2.20	2.30	2.31	2.08	2.19	2.09	
	second	1.89	1.93	1.99	1.92	1.98	1.96	
	middle	1.70	1.80	1.85	1.73	1.75	1.83	
	fourth	1.72	1.73	1.76	1.72	1.68	1.70	
	top	1.70	1.67	1.72	1.71	1.69	1.78	
aged 65 or older		0.08	0.07	0.07	0.07	0.07	0.08	- avg # of 65+ older
	bottom	0.06	0.06	0.05	0.05	0.07	0.08	
	second	0.05	0.06	0.05	0.06	0.06	0.05	
	middle	0.07	0.05	0.04	0.06	0.07	0.07	
	fourth	0.08	0.08	0.07	0.07	0.08	0.09	
	top	0.12	0.10	0.13	0.10	0.09	0.09	
post-tax, post-transfer								
family size		3.47	3.51	3.59	3.44	3.49	3.48	
	bottom	2.84	2.97	3.04	2.90	3.07	2.99	
	second	3.15	3.33	3.33	3.16	3.26	3.25	
	middle	3.38	3.32	3.42	3.29	3.21	3.29	
	fourth	3.63	3.55	3.71	3.60	3.62	3.55	
	top	4.35	4.40	4.46	4.25	4.30	4.35	
related children		1.84	1.89	1.92	1.83	1.86	1.87	
	bottom	1.68	1.75	1.83	1.72	1.83	1.79	
	second	1.90	2.06	1.99	1.88	1.92	1.95	
	middle	1.96	1.92	1.99	1.87	1.88	1.91	
	fourth	1.87	1.85	1.94	1.90	1.86	1.81	
	top	1.79	1.84	1.86	1.79	1.80	1.88	
aged 65 or older		0.08	0.07	0.07	0.07	0.07	0.08	
	bottom	0.02	0.04	0.03	0.03	0.04	0.04	
	second	0.05	0.04	0.04	0.04	0.05	0.04	
	middle	0.06	0.04	0.03	0.05	0.04	0.03	
	fourth	0.08	0.08	0.06	0.07	0.09	0.10	
	top	0.17	0.16	0.17	0.15	0.15	0.16	

93-98

female heads of primary families, related or unrelated subfamilies with children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	1998	93-95	95-98
	144.5		148.2		152.4		156.9		160.5		163		
families (000s)	10,965		10,884		10,951		11,095		10,957		10,933		
pre-transfer income	18,379	20,732	19,332	21,263	21,304	22,786	22,463	23,336	23,392	23,756	25,023	2,054	2,237
pre-welfare income	19,841	22,381	20,887	22,973	22,851	24,440	23,917	24,846	25,110	25,502	26,547	2,059	2,107
post-transfer income	23,085	26,040	24,158	26,571	25,955	27,761	26,781	27,822	27,733	28,165	28,904	1,721	1,143
post-tax, post-transfer income	20,720	23,373	21,927	24,117	23,700	25,348	24,523	25,477	25,133	25,524	26,435	1,975	1,087
earnings	15,809	17,834	16,873	18,558	18,366	19,644	19,704	20,470	20,396	20,714	21,979	1,810	2,335
child support	950	1,071	1,020	1,122	1,086	1,162	1,136	1,180	1,108	1,125	1,173	90	11
other pre-transfer	1,620	1,827	1,440	1,583	1,852	1,981	1,623	1,686	1,888	1,917	1,871	153	(109)
social insurance	1,462	1,649	1,555	1,710	1,547	1,654	1,454	1,511	1,718	1,745	1,524	5	(130)
means-tested cash	1,733	1,955	1,713	1,884	1,612	1,724	1,417	1,472	1,250	1,270	1,042	(230)	(682)
school lunch	240	271	262	288	265	284	259	269	250	254	276	13	(8)
food stamps	851	960	918	1,009	848	907	793	824	733	744	649	(53)	(258)
housing	420	474	378	416	379	406	396	411	389	395	390	(68)	(16)
taxes	(2,840)	(3,204)	(2,980)	(3,278)	(3,178)	(3,399)	(3,316)	(3,445)	(3,712)	(3,769)	(3,666)	(195)	(267)
EITC	476	537	749	824	922	986	1,059	1,100	1,111	1,129	1,197	449	211
effect on transfers of a dollar of earnings												(0.18)	(0.47)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.14	(0.02)
with family earnings	76%		78%		81%		82%		84%		85%	5%	4%
earnings of families with earnings	20,900	23,576	21,576	23,731	22,720	24,300	23,995	24,928	24,426	24,806	25,854	725	1,553
full-time, year-round workers per family	0.56		0.58		0.62		0.62		0.65		0.68	0.06	0.06
family head worked	67%		70%		71%		73%		75%		77%	5%	5%
weeks worked by family head	42.6		42.6		43.6		43.1		43.6		43.9	1.1	0.3
usual hours per week	30.7		30.9		31.2		31.0		31.5		31.7	0.5	0.5
annual earnings of working family head	15,405	17,377	16,154	17,767	17,002	18,185	17,993	18,693	17,942	18,222	18,998	808	813
family received child support	29%		30%		31%		30%		29%		29%	.2%	-2%
families with non-SSI cash welfare	34%		32%		29%		27%		23%		19%	-5%	-10%
benefit to recipients	3,973	4,481	4,175	4,592	4,005	4,284	3,677	3,820	3,474	3,529	3,366	(197)	(918)
family head with cash welfare	31%		29%		26%		24%		20%		17%	-5%	-8%
months of cash welfare	10.2		10.1		10.3		10.1		9.7		9.4	0.0	(0.9)
family had both earnings and welfare in year	50%		53%		58%		56%		60%		62%	8%	5%
families with food stamps	42%		40%		37%		36%		32%		29%	-5%	-8%
benefit to recipients	2,038	2,299	2,292	2,520	2,283	2,441	2,226	2,313	2,274	2,309	2,201	142	(240)
families with rental assistance	18%		16%		16%		16%		16%		16%	-2%	0%
benefit to recipients	2,357	2,659	2,321	2,553	2,327	2,489	2,437	2,532	2,456	2,494	2,377	(170)	(113)
families with EITC	49%		53%		56%		59%		59%		60%	6%	4%
benefit to recipients	964	1,088	1,409	1,550	1,661	1,776	1,801	1,371	1,887	1,917	2,004	689	227
family head dropped out before high school	6%		6%		6%		6%		6%		6%	0%	-1%
family head dropped out in high school	20%		19%		18%		18%		17%		17%	-2%	-2%
lived with non-family household members	14%		16%		15%		15%		16%		15%	1%	0%
added income from non-family household members	15,488	17,471	16,300	17,928	18,096	19,355	18,225	18,934	19,038	19,335	19,619	1,884	264

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children).

lumps all means tested cash except SSI

of those who had welfare 62% had earnings

female heads of primary families, related or unrelated subfamilies with children post-trax, post-transfer income below 50% poverty	144.5 1993	1998 dollars	148.2 1994	1998 dollars	152.4 1995	1998 dollars	156.9 1996	1998 dollars	160.5 1997	1998 dollars	163 1998	93-95	95-98
families (000s)	962		828		804		758		945		903		
pre-transfer income	1,029	1,160	1,214	1,335	1,171	1,252	1,321	1,373	1,194	1,213	1,370	92	118
pre-welfare income	1,393	1,571	1,473	1,620	1,466	1,567	1,513	1,571	1,448	1,471	1,702	(4)	134
post-transfer income	3,593	4,053	4,027	4,429	4,042	4,323	3,601	3,741	3,807	3,867	3,482	270	(841)
post-tax, post-transfer income	3,635	4,100	4,152	4,567	4,200	4,492	3,767	3,913	3,978	4,040	3,681	391	(810)
earnings	663	748	789	868	827	885	838	870	744	755	895	137	10
child support	176	199	202	222	239	256	328	341	244	248	212	57	(43)
other pre-transfer	189	213	223	246	104	112	155	161	206	209	262	(102)	151
social insurance	364	411	259	285	295	315	191	199	254	258	332	(96)	17
means-tested cash	926	1,044	1,056	1,162	960	1,027	758	787	815	828	528	(17)	(499)
school lunch	252	284	303	333	293	314	292	303	265	269	300	29	(14)
food stamps	685	772	979	1,076	906	969	771	801	909	924	633	196	(336)
housing	338	381	216	237	418	447	268	279	369	375	320	65	(127)
taxes	(60)	(68)	(66)	(73)	(65)	(70)	(67)	(70)	(62)	(63)	(86)	(2)	(16)
EITC	102	116	191	210	223	239	233	242	233	237	286	123	47
effect on transfers of a dollar of earnings												1.30	(92.80)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.89	2.97
with family earnings	39%		40%		40%		40%		42%		46%	1%	6%
earnings of families with earnings	1,714	1,933	1,955	2,150	2,066	2,210	2,083	2,164	1,775	1,803	1,960	277	(250)
full-time, year-round workers per family	0.04		0.07		0.04		0.02		0.04		0.05	(0.01)	0.01
family head worked	35%		35%		34%		34%		35%		42%	-1%	8%
weeks worked by family head	20.8		23.1		25.3		21.1		22.8		22.3	4.5	(2.9)
usual hours per week	20.6		22.6		25.8		22.6		26.5		20.5	5.2	(5.3)
annual earnings of working family head	1,500	1,692	1,754	1,930	1,824	1,951	1,878	1,951	1,647	1,673	1,596	259	(355)
family received child support	15%		14%		18%		18%		13%		10%	3%	-7%
families with non-SSI cash welfare	37%		36%		34%		27%		31%		21%	-3%	-13%
benefit to recipients	2,254	2,543	2,506	2,757	2,274	2,432	2,425	2,519	2,443	2,481	1,973	(110)	(459)
family head with cash welfare	36%		32%		31%		25%		27%		20%	-5%	-11%
months of cash welfare	8.9		9.6		8.5		8.6		9.2		8.2	(0.4)	(0.3)
family had both earnings and welfare in year	33%		39%		32%		33%		33%		40%	-1%	7%
families with food stamps	48%		48%		46%		37%		39%		34%	-2%	-12%
benefit to recipients	1,431	1,614	2,034	2,237	1,979	2,116	2,091	2,172	2,356	2,393	1,880	502	(236)
families with rental assistance	12%		7%		14%		9%		11%		9%	2%	-4%
benefit to recipients	2,800	3,159	3,126	3,438	3,049	3,261	3,029	3,146	3,305	3,356	3,477	102	216
families with EITC	24%		27%		27%		25%		25%		30%	2%	4%
benefit to recipients	423	478	697	767	841	899	929	965	924	939	940	422	41
family head dropped out before high school	12%		10%		11%		6%		8%		12%	-2%	1%
family head dropped out in high school	32%		31%		30%		31%		30%		29%	-2%	-2%
lived with non-family household members	32%		32%		32%		37%		33%		35%	1%	3%
added income from non-family household members	14,010	15,803	16,349	17,982	19,116	20,446	19,161	19,906	18,276	18,561	19,422	4,643	(1,024)

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children).

female heads of primary families and unrelated subfamilies, with related children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	1998	93-95	95-98
	144.5		148.2		152.4		156.9		160.5		163		
bottom quintile, pre-transfer family income													
pre-transfer income	53	60	110	121	317	339	473	491	533	541	929	279	590
pre-welfare income	1,407	1,587	1,796	1,976	1,976	2,114	2,146	2,229	2,783	2,826	3,012	526	898
post-transfer income	9,031	10,187	9,899	10,888	9,740	10,417	9,693	10,070	9,534	9,683	8,910	230	(1,507)
post-tax, post-transfer income	9,027	10,183	9,895	10,884	9,781	10,440	9,747	10,125	9,608	9,757	9,050	257	(1,390)
earnings	17	20	55	60	168	179	287	298	354	360	610	160	431
child support	44	50	41	45	81	86	97	100	96	98	120	37	33
other pre-transfer	(9)	(10)	14	15	68	73	89	93	82	84	199	83	126
social insurance	1,354	1,528	1,686	1,854	1,659	1,775	1,673	1,738	2,250	2,285	2,083	247	308
means-tested cash	4,247	4,791	4,517	4,969	4,320	4,621	4,109	4,269	3,549	3,604	2,873	(170)	(1,748)
school lunch	384	433	401	441	375	401	397	413	386	392	389	(33)	(12)
food stamps	1,927	2,174	2,184	2,402	2,028	2,169	1,921	1,996	1,790	1,818	1,592	(5)	(577)
housing	1,065	1,201	1,001	1,101	1,040	1,113	1,120	1,164	1,026	1,042	1,045	(88)	(68)
taxes	(4)	(5)	(10)	(10)	(15)	(16)	(23)	(24)	(29)	(30)	(57)	(12)	(41)
EITC	0	0	6	7	37	39	76	79	103	105	197	39	157
effect on transfers of a dollar of earnings												(0.31)	(4.87)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.17	0.27
with family earnings	11%		15%		20%		26%		32%		36%	9%	16%
earnings of families with earnings	153	173	379	417	826	883	1,087	1,130	1,125	1,142	1,683	710	800
full-time, year-round workers per family	0.01		0.01		0.01		0.01		0.01		0.02	0.00	0.01
family head worked	10%		12%		17%		21%		25%		32%	7%	15%
weeks worked by family head	11.0		11.3		16.3		14.1		17.2		20.3	5.3	4.1
usual hours per week	20.0		18.2		20.5		20.8		25.1		20.0		(0.5)
annual earnings of working family head	220	248	418	460	803	859	1,093	1,136	1,097	1,115	1,663	611	804
family received child support	12%		9%		14%		13%		11%		10%	2%	-4%
families with non-SSI cash welfare	75%		74%		67%		68%		57%		50%	-8%	-17%
benefit to recipients	4,691	5,292	4,801	5,281	4,575	4,893	4,324	4,492	4,225	4,291	3,642	(399)	(1,251)
family head with cash welfare	72%		70%		63%		64%		53%		47%	-8%	-16%
months of cash welfare	11.4		11.4		11.0		11.0		10.8		10.1	(0.4)	(0.9)
family had both earnings and welfare in year	11%		15%		20%		25%		30%		35%	9%	15%
families with food stamps	80%		80%		76%		74%		68%		64%	-4%	-11%
benefit to recipients	2,414	2,723	2,741	3,015	2,682	2,869	2,579	2,679	2,616	2,657	2,479	146	(390)
families with rental assistance	38%		35%		36%		37%		33%		33%	-2%	-3%
benefit to recipients	2,797	3,155	2,847	3,131	2,883	3,084	3,047	3,165	3,108	3,157	3,158	(71)	74
families with EITC	0%		2%		9%		13%		16%		23%	8%	15%
benefit to recipients	178	201	299	329	429	459	572	595	664	675	852	258	393
family head dropped out before high school	12%		11%		13%		11%		11%		11%	1%	-2%
family head dropped out in high school	37%		35%		34%		36%		32%		33%	-3%	-1%
lived with non-family household members	16%		15%		16%		17%		20%		20%	1%	4%
added income from non-family household members	12,339	13,918	14,360	15,794	12,909	13,806	13,774	14,310	15,228	15,465	17,124	(112)	3,317

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children).

bottom quintile, post-tax, post-transfer family income													
pre-transfer income	1,592	1,795	1,900	2,089	2,127	2,275	2,339	2,430	2,400	2,437	2,517	479	242
pre-welfare income	2,020	2,278	2,393	2,632	2,627	2,805	2,929	3,043	2,988	3,035	3,213	531	404
post-transfer income	5,737	6,471	6,395	7,034	6,835	7,310	6,689	6,949	6,542	6,644	6,663	839	(647)
post-tax, post-transfer income	5,824	6,569	6,621	7,283	7,146	7,643	7,069	7,344	6,929	7,037	7,067	1,074	(576)
earnings	1,119	1,263	1,388	1,527	1,569	1,678	1,729	1,796	1,757	1,784	1,875	416	197
child support	220	248	258	283	305	326	353	367	305	309	262	78	(64)
other pre-transfer	253	285	254	279	252	270	257	267	338	343	379	(15)	109
social insurance	428	483	494	543	500	535	589	612	589	598	696	52	161
means-tested cash	1,818	2,050	1,978	2,176	1,916	2,049	1,720	1,787	1,453	1,475	1,434	(1)	(615)
school lunch	218	245	251	277	264	283	262	272	260	264	283	37	0
food stamps	1,104	1,245	1,252	1,378	1,298	1,388	1,150	1,195	1,157	1,175	980	143	(408)
housing	578	652	520	572	730	781	628	653	684	695	754	130	(28)
taxes	(95)	(107)	(113)	(124)	(127)	(136)	(146)	(152)	(144)	(146)	(161)	(28)	(25)
EITC	182	206	339	373	438	468	527	547	531	539	565	263	96
effect on transfers of a dollar of earnings												0.87	(4.52)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.56	0.36
with family earnings	44%		45%		47%		50%		51%		53%	3%	5%
earnings of families with earnings	2,549	2,875	3,103	3,413	3,331	3,563	3,467	3,602	3,440	3,494	3,566	688	3
full-time, year-round workers per family	0.05		0.07		0.07		0.06		0.08		0.06	0.01	(0.01)
family head worked	41%		41%		42%		44%		45%		49%	1%	7%
weeks worked by family head	25.6		27.2		27.8		26.8		28.2		27.6	2.3	(0.2)
usual hours per week	19.8		21.5		22.0		22.4		24.0		21.2		(0.8)
annual earnings of working family head	2,479	2,796	2,999	3,299	3,237	3,482	3,426	3,559	3,358	3,410	3,400	666	(62)
family received child support	17%		17%		19%		20%		16%		14%	2%	-5%
families with non-SSI cash welfare	54%		51%		50%		45%		40%		37%	-3%	-14%
benefit to recipients	3,070	3,463	3,211	3,532	3,138	3,357	3,159	3,281	2,976	3,022	2,649	(106)	(708)
family head with cash welfare	52%		49%		46%		43%		37%		36%	-4%	-13%
months of cash welfare	9.9		10.1		10.0		10.1		9.7		9.3	0.2	(0.8)
family had both earnings and welfare in year	34%		34%		37%		36%		39%		45%	3%	8%
families with food stamps	62%		62%		61%		55%		52%		50%	-1%	-10%
benefit to recipients	1,789	2,018	2,022	2,224	2,145	2,294	2,073	2,153	2,215	2,250	1,957	276	(337)
families with rental assistance	21%		19%		24%		21%		21%		23%	3%	-1%
benefit to recipients	2,696	3,041	2,808	3,089	2,995	3,203	3,015	3,133	3,190	3,240	3,249	162	46
families with EITC	30%		33%		36%		38%		37%		40%	6%	4%
benefit to recipients	616	695	1,023	1,125	1,212	1,297	1,371	1,424	1,416	1,438	1,397	602	100
family head dropped out before high school	11%		8%		10%		7%		9%		11%	-1%	1%
family head dropped out in high school	32%		30%		29%		28%		27%		28%	-3%	-1%
lived with non-family household members	26%		25%		24%		25%		28%		25%	-2%	1%
added income from non-family household members	14,328	16,182	16,270	17,895	17,381	18,590	16,636	17,283	16,714	16,974	17,573	2,426	(1,017)

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children).

	144.5		148.2		152.4		156.9		160.5		163		
female heads of primary families and unrelated		**1998**		**1998**		**1998**		**1998**		**1998**			
subfamilies, with related children	**1993**	**dollars**	**1994**	**dollars**	**1995**	**dollars**	**1996**	**dollars**	**1997**	**dollars**	**1998**	**93-95**	**95-98**
second quintile, pre-transfer family income													
pre-transfer income	3,622	4,086	4,686	4,696	6,330	6,339	6,495	6,502	7,043	7,046	8,831	2,254	2,492
pre-welfare income	5,212	5,879	6,274	6,287	7,673	7,684	8,008	8,016	8,736	8,740	10,028	1,805	2,343
post-transfer income	10,387	11,717	10,841	10,862	11,883	11,901	11,903	11,915	12,531	12,537	13,424	184	1,523
post-tax, post-transfer income	10,570	11,923	11,417	11,440	12,821	12,841	12,998	13,011	13,801	13,808	14,955	918	2,115
earnings	2,278	2,569	3,523	3,530	4,960	4,968	4,981	4,986	5,563	5,566	7,489	2,396	2,521
child support	462	521	441	442	584	585	683	684	609	610	530	63	(54)
other pre-transfer	882	995	722	723	786	787	831	832	871	871	812	(208)	25
social insurance	1,590	1,794	1,588	1,591	1,343	1,345	1,513	1,515	1,693	1,694	1,197	(449)	(149)
means-tested cash	2,674	3,017	2,219	2,224	1,986	1,989	1,680	1,682	1,543	1,544	1,367	(1,028)	(622)
school lunch	304	343	332	333	357	358	334	334	335	335	361	15	3
food stamps	1,451	1,637	1,387	1,390	1,242	1,244	1,261	1,262	1,233	1,234	1,033	(393)	(211)
housing	746	841	627	629	625	626	620	620	684	684	635	(215)	10
taxes	(190)	(215)	(281)	(282)	(404)	(405)	(415)	(416)	(451)	(451)	(611)	(190)	(206)
EITC	373	420	858	860	1,342	1,344	1,509	1,511	1,721	1,721	2,143	924	798
effect on transfers of a dollar of earnings												(0.86)	(0.38)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.31	0.23
with family earnings	73%		81%		87%		87%		90%		92%	14%	5%
earnings of families with earnings	3,127	3,528	4,325	4,333	5,695	5,703	5,736	5,742	6,176	6,179	8,129	2,176	2,426
full-time, year-round workers per family	0.08		0.14		0.22		0.18		0.20		0.30	0.14	0.08
family head worked	61%		70%		75%		75%		78%		84%	13%	9%
weeks worked by family head	27.4		30.6		35.9		35.3		36.7		39.7	8.5	3.8
usual hours per week	18.2		19.8		21.8		22.5		22.6		25.1		3.3
annual earnings of working family head	3,073	3,467	4,081	4,089	5,475	5,483	5,559	5,564	6,078	6,082	7,809	2,017	2,326
family received child support	26%		26%		30%		28%		25%		24%	4%	-6%
families with non-SSI cash welfare	57%		50%		45%		39%		36%		29%	-13%	-16%
benefit to recipients	3,682	4,153	3,598	3,606	3,435	3,440	3,158	3,161	2,881	2,883	3,186	(713)	(254)
family head with cash welfare	53%		46%		40%		35%		33%		27%	-12%	-13%
months of cash welfare	9.7		9.2		9.6		9.5		8.8		8.6	(0.0)	(1.0)
family had both earnings and welfare in year	70%		79%		84%		82%		87%		91%	14%	7%
families with food stamps	69%		65%		60%		58%		53%		49%	-10%	-10%
benefit to recipients	2,093	2,361	2,139	2,143	2,077	2,080	2,183	2,185	2,309	2,310	2,089	(280)	9
families with rental assistance	30%		25%		27%		25%		28%		28%	-3%	2%
benefit to recipients	2,517	2,839	2,509	2,514	2,334	2,338	2,463	2,466	2,440	2,441	2,237	(501)	(100)
families with EITC	57%		70%		78%		78%		81%		87%	22%	8%
benefit to recipients	658	742	1,222	1,224	1,715	1,718	1,924	1,926	2,128	2,129	2,474	976	757
family head dropped out before high school	7%		8%		7%		8%		7%		7%	1%	0%
family head dropped out in high school	27%		27%		25%		22%		22%		20%	-2%	-5%
lived with non-family household members	17%		22%		18%		20%		19%		16%	1%	-2%
added income from non-family household members	14,117	15,924	14,808	14,838	17,585	17,612	17,979	17,997	18,690	18,699	16,183	1,688	(1,429)

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children)

second quintile, post-tax, post-transfer family income													
pre-transfer income	4,997	5,637	5,705	6,275	7,005	7,492	7,080	7,356	7,676	7,795	9,289	1,856	1,797
pre-welfare income	5,796	6,538	6,563	7,219	8,038	8,597	7,950	8,259	8,834	8,971	10,252	2,059	1,655
post-transfer income	11,235	12,673	12,073	13,279	13,051	13,958	13,063	13,571	13,415	13,624	14,141	1,285	182
post-tax, post-transfer income	11,461	12,929	12,592	13,849	13,677	14,628	13,775	14,310	14,293	14,516	15,227	1,700	599
earnings	4,158	4,691	4,898	5,387	6,069	6,491	6,051	6,286	6,589	6,692	8,284	1,800	1,793
child support	385	434	442	487	441	471	490	509	584	593	472	37	1
other pre-transfer	454	512	365	401	495	530	539	560	503	511	533	18	4
social insurance	799	902	858	944	1,033	1,105	869	903	1,158	1,176	962	204	(143)
means-tested cash	2,695	3,040	2,658	2,923	2,582	2,761	2,424	2,518	2,083	2,116	1,616	(279)	(1,145)
school lunch	331	373	363	399	342	366	348	362	330	335	362	(7)	(4)
food stamps	1,461	1,648	1,576	1,734	1,330	1,422	1,400	1,454	1,286	1,306	1,115	(225)	(307)
housing	953	1,075	913	1,004	759	811	942	978	883	897	796	(264)	(10)
taxes	(361)	(407)	(446)	(490)	(568)	(607)	(578)	(601)	(621)	(630)	(742)	(200)	(135)
EITC	587	663	964	1,060	1,194	1,277	1,290	1,340	1,499	1,522	1,828	615	551
effect on transfers of a dollar of earnings												(0.32)	(0.90)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.23	0.23
with family earnings	62%		66%		71%		72%		78%		81%	9%	10%
earnings of families with earnings	6,759	7,624	7,429	8,170	8,598	9,196	8,356	8,681	8,486	8,618	10,267	1,572	1,071
full-time, year-round workers per family	0.20		0.25		0.31		0.29		0.30		0.38	0.10	0.07
family head worked	56%		58%		63%		64%		68%		74%	7%	11%
weeks worked by family head	37.6		38.2		41.2		39.8		40.5		42.2	3.6	1.0
usual hours per week	25.3		25.6		26.3		25.3		26.5		28.2		1.9
annual earnings of working family head	6,751	7,615	7,425	8,167	8,422	9,007	8,251	8,571	8,389	8,519	9,917	1,392	910
family received child support	23%		23%		25%		23%		24%		22%	2%	-4%
families with non-SSI cash welfare	54%		52%		42%		44%		38%		30%	-12%	-12%
benefit to recipients	4,154	4,686	4,122	4,533	4,492	4,804	3,874	4,025	3,604	3,660	3,542	119	(1,282)
family head with cash welfare	51%		48%		38%		41%		35%		28%	-13%	-10%
months of cash welfare	10.7		10.4		10.7		10.5		9.7		9.6	(0.0)	(1.1)
family had both earnings and welfare in year	43%		47%		50%		51%		59%		57%	7%	7%
families with food stamps	67%		64%		56%		58%		55%		48%	-11%	-8%
benefit to recipients	2,195	2,476	2,471	2,718	2,373	2,538	2,431	2,526	2,358	2,395	2,340	63	(198)
families with rental assistance	36%		34%		30%		33%		34%		31%	-6%	2%
benefit to recipients	2,683	3,026	2,675	2,942	2,561	2,739	2,837	2,947	2,595	2,636	2,544	(287)	(194)
families with EITC	52%		58%		63%		63%		69%		74%	11%	12%
benefit to recipients	1,133	1,278	1,669	1,836	1,899	2,031	2,040	2,119	2,184	2,218	2,455	754	424
family head dropped out before high school	7%		9%		10%		10%		8%		6%	2%	-3%
family head dropped out in high school	26%		20%		23%		24%		21%		22%	-3%	0%
lived with non-family household members	13%		16%		16%		15%		15%		15%	4%	-1%
added income from non-family household members	13,373	15,085	13,096	14,404	12,756	13,643	17,704	18,392	18,091	18,373	15,740	(1,442)	2,097

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children).

female heads of primary families and unrelated subfamilies, with related children	144.5 1993	1998 dollars	148.2 1994	1998 dollars	152.4 1995	1998 dollars	156.9 1996	1998 dollars	160.5 1997	1998 dollars	163 1998	93-95	95-98
middle quintile, pre-transfer family income													
pre-transfer income	12,198	13,759	13,451	14,794	15,516	16,595	15,741	16,353	16,258	16,511	18,205	2,835	1,610
pre-welfare income	13,623	15,368	14,709	16,176	16,876	18,049	16,976	17,638	17,684	17,960	19,615	2,682	1,566
post-transfer income	15,476	17,458	16,754	18,427	18,512	19,800	18,528	19,249	19,132	19,430	20,999	2,342	1,199
post-tax, post-transfer income	15,608	17,607	17,313	19,042	18,968	20,287	19,154	19,899	19,816	20,124	21,547	2,681	1,260
earnings	10,586	11,941	11,441	12,584	13,649	14,598	14,060	14,607	14,305	14,528	15,975	2,657	1,376
child support	722	814	1,006	1,107	1,092	1,168	880	914	975	990	1,083	353	(84)
other pre-transfer	890	1,004	1,003	1,103	775	829	802	833	978	993	1,147	(175)	318
social insurance	1,426	1,608	1,258	1,384	1,360	1,455	1,237	1,285	1,426	1,449	1,411	(154)	(44)
means-tested cash	830	936	940	1,034	629	673	620	644	616	626	530	(263)	(143)
school lunch	251	283	284	312	299	320	278	289	254	258	318	37	(2)
food stamps	556	628	636	700	550	588	498	518	408	415	360	(40)	(228)
housing	216	244	185	203	159	171	155	161	169	172	176	(73)	6
taxes	(1,011)	(1,141)	(1,119)	(1,230)	(1,393)	(1,490)	(1,446)	(1,502)	(1,471)	(1,494)	(1,583)	(349)	(93)
EITC	1,144	1,290	1,676	1,845	1,846	1,977	2,071	2,152	2,155	2,188	2,131	687	154
effect on transfers of a dollar of earnings												(0.19)	(0.30)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.13	0.04
with family earnings	96%		97%		98%		98%		98%		98%	2%	0%
earnings of families with earnings	11,012	12,422	11,854	13,038	13,888	14,854	14,281	14,837	14,611	14,839	16,275	2,432	1,422
full-time, year-round workers per family	0.50		0.59		0.68		0.69		0.69		0.71	0.17	0.03
family head worked	86%		87%		88%		89%		89%		89%	2%	1%
weeks worked by family head	45.4		45.6		46.9		46.8		47.3		47.9	1.5	1.0
usual hours per week	30.7		31.0		32.2		31.3		32.7		32.4		0.3
annual earnings of working family head	10,293	11,610	11,046	12,149	12,596	13,472	12,998	13,503	13,374	13,582	14,879	1,862	1,406
family received child support	28%		33%		34%		31%		30%		33%	7%	-1%
families with non-SSI cash welfare	20%		20%		14%		13%		13%		9%	-6%	-5%
benefit to recipients	3,083	3,477	3,309	3,640	3,334	3,566	2,868	2,979	2,442	2,480	2,834	89	(732)
family head with cash welfare	16%		17%		11%		11%		11%		7%	-5%	-4%
months of cash welfare	7.9		7.9		9.1		8.5		8.0		9.1	1.2	(0.0)
family had both earnings and welfare in year	92%		91%		95%		98%		97%		95%	3%	1%
families with food stamps	37%		36%		27%		28%		24%		20%	-9%	-7%
benefit to recipients	1,513	1,707	1,792	1,971	2,002	2,141	1,754	1,823	1,684	1,710	1,800	434	(341)
families with rental assistance	16%		15%		13%		13%		13%		14%	-3%	1%
benefit to recipients	1,391	1,569	1,224	1,346	1,228	1,313	1,219	1,266	1,282	1,302	1,287	(256)	(26)
families with EITC	89%		92%		92%		93%		93%		92%	3%	0%
benefit to recipients	1,289	1,454	1,830	2,013	2,010	2,150	2,216	2,303	2,323	2,359	2,306	697	156
family head dropped out before high school	8%		6%		6%		5%		6%		4%	-2%	-1%
family head dropped out in high school	18%		16%		16%		14%		15%		14%	-2%	-1%
lived with non-family household members	16%		18%		19%		17%		18%		16%	3%	-4%
added income from non-family household members	15,768	17,787	16,296	17,923	16,995	18,177	19,318	20,069	17,142	17,409	18,764	390	587

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children)

middle quintile, post-tax, post-transfer family income													
pre-transfer income	11,661	13,154	13,304	14,633	15,239	16,299	15,763	16,376	16,478	16,735	18,463	3,146	2,164
pre-welfare income	12,870	14,518	14,565	16,020	16,414	17,556	16,868	17,524	17,711	17,987	19,360	3,038	1,804
post-transfer income	16,640	18,770	17,849	19,632	19,200	20,535	19,591	20,352	20,097	20,410	21,595	1,765	1,060
post-tax, post-transfer income	16,212	18,288	17,624	19,384	18,985	20,305	19,446	20,202	19,996	20,307	21,514	2,017	1,208
earnings	10,300	11,619	11,762	12,937	13,553	14,495	14,254	14,809	14,747	14,977	16,668	2,876	2,173
child support	698	787	821	903	958	1,025	804	836	837	850	1,028	237	4
other pre-transfer	662	747	721	793	729	779	704	731	893	907	767	32	(12)
social insurance	1,209	1,364	1,261	1,387	1,175	1,257	1,106	1,149	1,233	1,252	897	(107)	(360)
means-tested cash	2,016	2,274	1,677	1,845	1,412	1,510	1,336	1,388	1,142	1,160	994	(764)	(516)
school lunch	325	367	314	345	312	333	318	331	305	309	354	(33)	21
food stamps	974	1,099	958	1,053	777	831	790	820	669	680	612	(268)	(219)
housing	455	513	335	368	285	305	279	289	270	274	276	(208)	(29)
taxes	(1,171)	(1,321)	(1,371)	(1,508)	(1,615)	(1,727)	(1,713)	(1,779)	(1,751)	(1,778)	(1,852)	(406)	(124)
EITC	744	839	1,146	1,261	1,400	1,497	1,568	1,629	1,650	1,676	1,770	656	273
effect on transfers of a dollar of earnings												(0.48)	(0.51)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.09	0.07
with family earnings	82%		87%		91%		92%		92%		96%	9%	5%
earnings of families with earnings	12,551	14,158	13,477	14,823	14,924	15,962	15,462	16,063	15,944	16,192	17,356	1,804	1,394
full-time, year-round workers per family	0.48		0.53		0.62		0.62		0.63		0.70	0.14	0.07
family head worked	73%		79%		82%		84%		86%		88%	9%	6%
weeks worked by family head	45.3		44.9		46.2		46.0		46.4		47.5	0.9	1.3
usual hours per week	32.1		31.3		32.1		32.9		32.8		33.3		1.2
annual earnings of working family head	12,567	14,176	13,023	14,323	14,366	15,365	14,778	15,352	15,504	15,745	16,533	1,189	1,168
family received child support	30%		32%		34%		30%		30%		35%	4%	1%
families with non-SSI cash welfare	32%		29%		23%		22%		19%		15%	-9%	-8%
benefit to recipients	4,684	5,284	4,512	4,962	4,134	4,421	4,126	4,287	4,023	4,086	4,027	(863)	(395)
family head with cash welfare	28%		25%		20%		19%		17%		13%	-9%	-7%
months of cash welfare	10.3		10.0		10.0		9.8		9.8		9.2	(0.2)	(0.8)
family had both earnings and welfare in year	54%		62%		71%		72%		75%		89%	16%	18%
families with food stamps	44%		40%		35%		34%		28%		27%	-10%	-8%
benefit to recipients	2,193	2,474	2,389	2,628	2,248	2,404	2,330	2,421	2,378	2,415	2,277	(70)	(128)
families with rental assistance	23%		20%		18%		17%		16%		19%	-5%	1%
benefit to recipients	1,940	2,188	1,714	1,885	1,573	1,683	1,624	1,687	1,704	1,731	1,478	(506)	(204)
families with EITC	73%		78%		82%		84%		84%		85%	9%	4%
benefit to recipients	1,021	1,152	1,477	1,625	1,716	1,836	1,864	1,936	1,970	2,001	2,078	684	243
family head dropped out before high school	7%		5%		5%		5%		6%		4%	-1%	-2%
family head dropped out in high school	19%		17%		17%		16%		16%		15%	-2%	-3%
lived with non-family household members	14%		15%		17%		16%		17%		15%	3%	-2%
added income from non-family household members	15,509	17,495	16,503	18,151	18,761	20,066	17,963	18,661	20,455	20,773	20,591	2,571	525

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children).

	144.5		148.2		152.4		156.9		160.5		163		
female heads of primary families and unrelated subfamilies, with related children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	1998	93-95	95-98
fourth quintile, pre-transfer family income													
pre-transfer income	23,513	26,523	24,939	27,429	27,039	28,920	27,297	28,358	28,581	29,026	30,541	2,396	1,621
pre-welfare income	24,789	27,963	26,667	29,330	28,475	30,455	28,550	29,660	30,077	30,545	31,827	2,492	1,372
post-transfer income	25,814	29,119	27,726	30,495	29,618	31,678	29,389	30,532	30,782	31,261	32,546	2,558	868
post-tax, post-transfer income	23,559	26,575	25,354	27,886	27,049	28,930	26,919	27,965	27,967	28,402	28,785	2,355	855
earnings	20,767	23,426	22,051	24,253	23,808	25,464	24,379	25,326	25,533	25,931	27,260	2,038	1,796
child support	1,418	1,600	1,490	1,638	1,603	1,715	1,777	1,846	1,449	1,471	1,846	115	131
other pre-transfer	1,328	1,498	1,398	1,538	1,628	1,741	1,141	1,186	1,598	1,623	1,435	243	(306)
social insurance	1,276	1,440	1,728	1,901	1,436	1,536	1,253	1,302	1,496	1,520	1,286	96	(249)
means-tested cash	574	648	547	602	599	641	434	451	313	318	290	(6)	(351)
school lunch	175	197	192	212	187	200	186	193	180	183	194	3	(7)
food stamps	226	255	254	280	302	323	177	184	152	154	164	69	(159)
housing	51	57	65	71	54	58	43	44	60	61	71	1	13
taxes	(2,802)	(3,161)	(3,113)	(3,424)	(3,397)	(3,633)	(3,479)	(3,615)	(3,745)	(3,803)	(3,653)	(472)	(20)
EITC	547	617	742	816	828	885	1,009	1,048	930	944	893	268	7
effect on transfers of a dollar of earnings												0.08	(0.42)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												(0.10)	(0.01)
with family earnings	99%		99%		99%		100%		98%		99%	0%	0%
earnings of families with earnings	20,989	23,676	22,320	24,549	24,088	25,763	24,461	25,412	25,970	26,374	27,543	2,087	1,780
full-time, year-round workers per family	0.87		0.89		0.91		0.91		0.95		0.97	0.04	0.06
family head worked	89%		89%		89%		93%		91%		90%	0%	1%
weeks worked by family head	48.7		48.4		48.0		48.4		49.0		48.9	(0.8)	1.0
usual hours per week	36.2		36.4		35.4		35.7		35.8		36.7		1.2
annual earnings of working family head	18,215	20,547	19,213	21,131	20,254	21,663	20,784	21,592	22,033	22,376	23,606	1,116	1,943
family received child support	39%		40%		40%		42%		38%		41%	2%	0%
families with non-SSI cash welfare	11%		10%		12%		7%		5%		5%	0%	-7%
benefit to recipients	3,057	3,448	4,393	4,832	3,657	3,912	2,699	2,804	2,750	2,793	2,524	463	(1,388)
family head with cash welfare	8%		7%		8%		5%		3%		3%	0%	-5%
months of cash welfare	8.6		9.6		9.5		8.3		8.5		7.1	0.9	(2.5)
family had both earnings and welfare in year	99%		96%		100%		100%		99%		95%	1%	-5%
families with food stamps	16%		13%		15%		10%		9%		9%	-1%	-6%
benefit to recipients	1,439	1,623	1,897	2,086	2,013	2,153	1,757	1,825	1,614	1,640	1,809	530	(344)
families with rental assistance	4%		5%		4%		3%		4%		5%	0%	1%
benefit to recipients	1,210	1,365	1,270	1,397	1,272	1,360	1,243	1,291	1,353	1,374	1,390	(4)	29
families with EITC	68%		66%		64%		70%		66%		60%	-4%	-3%
benefit to recipients	801	904	1,126	1,239	1,297	1,387	1,439	1,495	1,413	1,435	1,477	483	90
family head dropped out before high school	3%		3%		4%		3%		3%		3%	1%	-1%
family head dropped out in high school	10%		10%		9%		8%		8%		8%	-1%	-1%
lived with non-family household members	14%		16%		14%		14%		15%		16%	-1%	2%
added income from non-family household members	18,270	20,609	18,502	20,350	19,638	21,004	18,230	18,939	22,898	23,255	22,828	396	1,824

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children).

fourth quintile, post-tax, post-transfer family income													
pre-transfer income	22,697	25,603	24,195	26,611	26,595	28,444	26,274	27,296	27,854	28,288	29,788	2,842	1,343
pre-welfare income	24,756	27,926	26,221	28,839	28,063	30,015	28,138	29,232	29,819	30,283	31,746	2,089	1,731
post-transfer income	26,770	30,197	28,256	31,078	30,042	32,132	29,862	31,023	31,468	31,959	33,158	1,935	1,026
post-tax, post-transfer income	24,377	27,498	25,758	28,330	27,431	29,339	27,627	28,701	28,829	29,278	30,525	1,842	1,185
earnings	20,005	22,567	21,323	23,452	23,485	25,118	23,302	24,208	24,798	25,184	26,446	2,552	1,328
child support	1,400	1,579	1,584	1,742	1,746	1,868	1,760	1,829	1,636	1,661	1,852	288	(15)
other pre-transfer	1,291	1,457	1,289	1,417	1,364	1,459	1,212	1,259	1,420	1,443	1,489	2	31
social insurance	2,059	2,323	2,026	2,228	1,469	1,571	1,864	1,936	1,965	1,996	1,958	(752)	388
means-tested cash	1,234	1,392	1,223	1,345	1,124	1,203	972	1,010	957	972	748	(189)	(454)
school lunch	221	250	232	255	258	276	245	254	226	230	228	26	(48)
food stamps	480	542	489	538	506	541	431	448	371	377	345	(0)	(196)
housing	78	88	92	101	91	97	77	80	96	97	91	10	(6)
taxes	(2,869)	(3,236)	(3,158)	(3,473)	(3,455)	(3,696)	(3,379)	(3,510)	(3,675)	(3,733)	(3,651)	(459)	44
EITC	476	537	659	725	844	903	1,144	1,189	1,036	1,052	1,018	366	115
effect on transfers of a dollar of earnings												(0.36)	(0.24)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												(0.04)	0.12
with family earnings	94%		95%		97%		97%		97%		97%	3%	0%
earnings of families with earnings	21,389	24,127	22,551	24,803	24,298	25,989	23,996	24,929	25,501	25,898	27,236	1,861	1,247
full-time, year-round workers per family	0.76		0.79		0.84		0.86		0.87		0.90	0.08	0.06
family head worked	83%		83%		86%		87%		87%		86%	3%	1%
weeks worked by family head	47.8		47.5		47.7		47.4		47.7		48.3	(0.1)	0.6
usual hours per week	35.2		35.5		35.2		34.7		35.3		34.9		(0.3)
annual earnings of working family head	19,177	21,633	20,341	22,372	21,062	22,527	20,788	21,596	21,961	22,304	23,549	895	1,022
family received child support	36%		41%		42%		41%		39%		39%	5%	-2%
families with non-SSI cash welfare	16%		16%		15%		13%		11%		9%	-3%	-7%
benefit to recipients	4,570	5,155	5,043	5,547	4,449	4,759	4,216	4,380	4,279	4,346	4,364	(396)	(395)
family head with cash welfare	13%		13%		12%		10%		8%		7%	-1%	-5%
months of cash welfare	10.0		9.9		10.5		9.5		10.0		9.3	0.5	(1.2)
family had both earnings and welfare in year	83%		79%		90%		89%		92%		93%	7%	3%
families with food stamps	23%		22%		20%		20%		17%		15%	-3%	-5%
benefit to recipients	2,060	2,324	2,273	2,500	2,528	2,703	2,169	2,253	2,199	2,233	2,301	380	(402)
families with rental assistance	6%		7%		7%		6%		7%		6%	1%	-1%
benefit to recipients	1,303	1,470	1,325	1,458	1,303	1,393	1,284	1,334	1,385	1,408	1,447	(76)	54
families with EITC	53%		52%		55%		63%		58%		56%	2%	1%
benefit to recipients	902	1,017	1,269	1,396	1,546	1,654	1,808	1,878	1,793	1,821	1,824	636	171
family head dropped out before high school	4%		4%		4%		4%		5%		4%	0%	-0%
family head dropped out in high school	14%		12%		12%		11%		11%		11%	-2%	-1%
lived with non-family household members	12%		13%		14%		13%		12%		13%	2%	0%
added income from non-family household members	19,717	22,241	18,264	20,088	19,220	20,557	19,677	20,442	19,644	19,950	21,906	(1,685)	1,349

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children).

female heads of primary families and unrelated subfamilies, with related children	144.5 1993	1998 dollars	148.2 1994	1998 dollars	152.4 1995	1998 dollars	156.9 1996	1998 dollars	160.5 1997	1998 dollars	163 1998	93-95	95-98
top quintile, pre-transfer family income													
pre-transfer income	52,487	59,207	53,451	58,789	57,301	61,286	62,259	64,680	64,486	65,491	66,583	2,079	5,297
pre-welfare income	54,151	61,084	54,966	60,455	59,236	63,356	63,853	66,336	66,213	67,244	68,226	2,273	4,872
post-transfer income	54,693	61,695	55,556	61,104	60,010	64,184	64,344	66,845	66,630	67,668	68,619	2,489	4,435
post-tax, post-transfer income	44,820	50,559	45,642	50,200	49,887	53,357	53,766	55,857	54,430	55,277	56,817	2,798	3,461
earnings	45,380	51,189	47,272	51,993	49,230	52,655	54,769	56,899	56,173	57,048	58,536	1,465	5,884
child support	2,102	2,371	2,120	2,331	2,070	2,214	2,243	2,330	2,409	2,446	2,283	(157)	69
other pre-transfer	5,006	5,647	4,059	4,465	6,000	6,416	5,247	5,451	5,905	5,997	5,762	771	(656)
social insurance	1,664	1,877	1,515	1,666	1,935	2,070	1,594	1,656	1,726	1,753	1,644	193	(426)
means-tested cash	340	384	346	381	529	566	242	251	231	235	153	182	(413)
school lunch	87	98	100	110	109	116	98	102	97	98	119	18	3
food stamps	93	105	128	140	117	125	109	114	81	83	96	20	(29)
housing	22	25	15	17	19	21	41	43	8	8	23	(4)	2
taxes	(10,188)	(11,493)	(10,375)	(11,411)	(10,677)	(11,419)	(11,208)	(11,644)	(12,849)	(13,049)	(12,421)	73	(1,002)
EITC	316	356	462	508	554	593	631	656	648	658	620	236	27
effect on transfers of a dollar of earnings												0.28	(0.15)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.21	(0.17)
with family earnings	99%		100%		100%		99%		100%		99%	1%	0%
earnings of families with earnings	45,873	51,746	47,455	52,195	49,442	52,881	55,203	57,349	56,358	57,236	58,644	1,135	5,963
full-time, year-round workers per family	1.33		1.29		1.28		1.33		1.40		1.38	(0.05)	0.10
family head worked	87%		91%		88%		89%		90%		89%	1%	1%
weeks worked by family head	47.7		47.3		47.6		47.3		47.9		47.4	(0.1)	(0.2)
usual hours per week	35.2		35.7		36.1		35.2		35.2		36.6		0.5
annual earnings of working family head	28,031	31,620	29,374	32,308	31,001	33,157	34,549	35,893	33,307	33,826	35,236	1,537	2,079
family received child support	39%		40%		37%		37%		39%		37%	-2%	0%
families with non-SSI cash welfare	7%		6%		8%		7%		3%		3%	1%	-5%
benefit to recipients	2,721	3,070	3,820	4,201	4,089	4,373	2,714	2,819	2,075	2,107	3,446	1,304	(927)
family head with cash welfare	5%		4%		6%		5%		2%		1%	1%	-4%
months of cash welfare	8.5		8.8		9.8		7.7		7.2		8.0	1.3	(1.8)
family had both earnings and welfare in year	98%		100%		100%		100%		100%		100%	2%	0%
families with food stamps	7%		7%		8%		7%		6%		5%	1%	-3%
benefit to recipients	1,321	1,490	1,875	2,062	1,494	1,598	1,475	1,532	1,425	1,448	2,046	108	447
families with rental assistance	2%		1%		1%		3%		1%		2%	0%	0%
benefit to recipients	1,348	1,521	1,307	1,437	1,324	1,416	1,311	1,362	1,269	1,289	1,303	(105)	(113)
families with EITC	33%		36%		35%		39%		40%		36%	2%	1%
benefit to recipients	961	1,084	1,282	1,410	1,587	1,697	1,628	1,691	1,641	1,666	1,717	613	20
family head dropped out before high school	3%		2%		3%		3%		3%		2%	0%	-1%
family head dropped out in high school	9%		8%		9%		9%		6%		8%	0%	-1%
lived with non-family household members	8%		8%		10%		9%		9%		10%	2%	0%
added income from non-family household members	19,194	21,652	19,497	21,444	27,899	29,839	24,735	25,696	25,917	26,321	26,713	8,188	(3,126)

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children)

top quintile, post-tax, post-transfer family income													
pre-transfer income	50,944	57,466	51,531	56,677	55,533	59,396	60,823	63,187	62,499	63,472	64,986	1,930	5,590
pre-welfare income	53,758	60,640	54,665	60,124	59,088	63,198	63,664	66,139	66,143	67,173	68,090	2,558	4,891
post-transfer income	55,036	62,083	56,191	61,803	60,628	64,845	64,665	67,179	67,088	68,133	68,889	2,762	4,044
post-tax, post-transfer income	45,722	51,576	47,021	51,717	51,240	54,804	54,672	56,797	55,573	56,439	57,782	3,229	2,978
earnings	43,459	49,023	44,969	49,460	47,137	50,415	53,152	55,219	54,042	54,884	56,560	1,392	6,144
child support	2,046	2,308	1,994	2,193	1,980	2,118	2,273	2,361	2,177	2,211	2,246	(191)	129
other pre-transfer	5,438	6,135	4,568	5,025	6,417	6,863	5,398	5,608	6,279	6,377	6,180	728	(583)
social insurance	2,814	3,174	3,134	3,447	3,555	3,802	2,841	2,952	3,644	3,701	3,104	628	(699)
means-tested cash	903	1,019	1,031	1,134	1,028	1,100	633	657	616	626	420	81	(680)
school lunch	105	119	150	165	151	161	120	124	132	134	154	42	(7)
food stamps	234	264	313	344	327	350	196	204	182	185	192	86	(158)
housing	36	41	33	36	33	36	53	55	14	14	34	(5)	(2)
taxes	(9,704)	(10,946)	(9,809)	(10,788)	(10,121)	(10,825)	(10,759)	(11,177)	(12,356)	(12,549)	(11,910)	121	(1,085)
EITC	389	439	639	702	733	784	765	795	842	855	803	345	19
effect on transfers of a dollar of earnings												0.60	(0.25)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.34	(0.17)
with family earnings	97%		98%		99%		99%		99%		99%	2%	0%
earnings of families with earnings	44,726	50,452	45,664	50,224	47,619	50,932	53,711	55,799	54,577	55,427	57,358	480	6,427
full-time, year-round workers per family	1.29		1.26		1.26		1.29		1.36		1.35	(0.03)	0.09
family head worked	82%		87%		84%		87%		86%		86%	2%	2%
weeks worked by family head	46.6		46.2		46.5		46.7		47.3		46.6	(0.1)	0.1
usual hours per week	34.0		34.1		34.7		33.9		34.1		36.1		1.5
annual earnings of working family head	26,439	29,824	27,135	29,844	28,729	30,727	32,893	34,172	31,579	32,071	33,739	903	3,012
family received child support	37%		36%		36%		37%		34%		36%	-1%	0%
families with non-SSI cash welfare	13%		13%		14%		10%		6%		5%	1%	-9%
benefit to recipients	4,345	4,902	6,341	6,974	4,959	5,303	3,442	3,576	2,675	2,716	3,923	402	(1,380)
family head with cash welfare	9%		8%		10%		7%		4%		3%	1%	-7%
months of cash welfare	9.5		9.5		9.9		8.7		8.3		9.4	0.4	(0.5)
family had both earnings and welfare in year	88%		95%		97%		98%		98%		89%	9%	-8%
families with food stamps	13%		13%		15%		11%		9%		8%	2%	-7%
benefit to recipients	1,851	2,088	2,427	2,670	2,251	2,407	1,727	1,794	1,928	1,958	2,457	319	50
families with rental assistance	3%		2%		2%		4%		1%		3%	0%	0%
benefit to recipients	1,341	1,513	1,350	1,485	1,361	1,456	1,318	1,369	1,316	1,336	1,293	(57)	(163)
families with EITC	40%		45%		42%		45%		47%		43%	3%	0%
benefit to recipients	983	1,109	1,404	1,545	1,730	1,851	1,704	1,770	1,797	1,825	1,875	742	24
family head dropped out before high school	3%		3%		4%		3%		4%		3%	0%	-1%
family head dropped out in high school	10%		11%		11%		10%		7%		9%	1%	-3%
lived with non-family household members	7%		8%		7%		8%		9%		9%	0%	1%
added income from non-family household members	16,292	18,378	19,296	21,223	28,625	30,616	22,077	22,936	24,507	24,889	27,174	12,238	(3,442)

Sources: March CPS, female family heads (householders and heads of unrelated subfamilies with children)

female heads of primary families, related or unrelated subfamilies with children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	1998	93-95	95-98
	144.5		148.2		152.4		156.9		160.5		163		
bottom quintile, pre-transfer household income													
pre-transfer income	165	186	254	280	575	615	776	807	988	1,003	1,492	428	877
pre-welfare income	1,686	1,902	1,938	2,131	2,325	2,486	2,640	2,742	3,446	3,499	3,725	585	1,239
post-transfer income	9,803	11,058	10,399	11,437	10,494	11,224	10,565	10,976	10,821	10,990	10,244	166	(980)
post-tax, post-transfer income	9,796	11,050	10,411	11,451	10,547	11,281	10,663	11,077	10,960	11,131	10,479	231	(802)
earnings	84	95	133	146	342	366	524	544	667	678	1,030	271	664
child support	58	65	73	80	102	109	138	143	139	141	188	44	79
other pre-transfer	23	26	48	53	130	139	115	119	182	185	274	113	135
social insurance	1,520	1,715	1,683	1,851	1,750	1,872	1,863	1,936	2,458	2,496	2,233	156	361
means-tested cash	4,456	5,026	4,627	5,089	4,423	4,731	4,175	4,337	3,769	3,828	3,096	(296)	(1,634)
school lunch	403	454	417	459	397	425	417	433	418	425	419	(30)	(6)
food stamps	2,070	2,335	2,293	2,522	2,178	2,329	2,090	2,172	2,020	2,052	1,774	(6)	(555)
housing	1,189	1,341	1,124	1,237	1,171	1,253	1,243	1,292	1,168	1,186	1,229	(88)	(23)
taxes	(12)	(13)	(20)	(22)	(29)	(31)	(42)	(43)	(53)	(54)	(91)	(18)	(60)
EITC	5	5	32	35	83	89	139	145	192	195	327	83	238
effect on transfers of a dollar of earnings												(0.97)	(2.80)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.24	0.27
bottom quintile, post-tax, post-transfer household income													
pre-transfer income	1,922	2,168	2,102	2,312	2,477	2,649	2,732	2,838	2,884	2,929	3,302	481	653
pre-welfare income	2,462	2,777	2,725	2,997	3,139	3,358	3,445	3,579	3,610	3,666	4,099	580	741
post-transfer income	6,885	7,767	7,445	8,189	8,028	8,587	8,014	8,328	8,191	8,319	8,256	820	(331)
post-tax, post-transfer income	6,961	7,852	7,673	8,439	8,346	8,927	8,380	8,705	8,536	8,669	8,673	1,074	(253)
earnings	1,401	1,581	1,605	1,766	1,873	2,003	2,036	2,115	2,153	2,187	2,580	422	577
child support	243	274	235	259	283	303	369	383	328	333	294	29	(9)
other pre-transfer	277	313	261	287	321	343	328	340	403	409	428	30	85
social insurance	541	610	623	685	663	709	713	740	726	737	796	99	88
means-tested cash	2,101	2,370	2,233	2,456	2,178	2,330	2,074	2,154	1,891	1,921	1,696	(41)	(634)
school lunch	254	287	284	313	299	319	288	299	296	300	327	32	7
food stamps	1,318	1,487	1,483	1,631	1,536	1,643	1,430	1,485	1,463	1,486	1,198	156	(445)
housing	749	845	720	792	876	937	778	808	931	945	936	92	(1)
taxes	(124)	(140)	(138)	(152)	(154)	(165)	(179)	(185)	(197)	(200)	(241)	(25)	(75)
EITC	201	226	366	402	472	505	544	565	541	549	658	279	153
effect on transfers of a dollar of earnings												0.80	(1.71)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.60	0.13

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children).

	144.5		148.2		152.4		156.9		160.5		163		
female heads of primary families, related or unrelated subfamilies with children	**1993**	**1998 dollars**	**1994**	**1998 dollars**	**1995**	**1998 dollars**	**1996**	**1998 dollars**	**1997**	**1998 dollars**	**1998**	**93-95**	**95-98**
second quintile, pre-transfer household income													
pre-transfer income	5,105	5,759	6,341	6,974	8,124	8,689	8,417	8,744	9,085	9,227	10,669	2,930	2,180
pre-welfare income	6,835	7,710	8,099	8,907	9,642	10,313	9,935	10,321	10,864	11,053	12,015	2,602	1,702
post-transfer income	11,706	13,205	12,573	13,828	13,796	14,755	13,638	14,168	14,442	14,666	15,139	1,550	384
post-tax, post-transfer income	11,931	13,459	13,235	14,557	14,781	15,809	14,799	15,375	15,760	16,005	16,670	2,351	861
earnings	3,671	4,141	5,038	5,541	6,682	7,147	6,903	7,171	7,507	7,624	9,420	3,006	2,274
child support	458	516	493	543	582	623	660	686	661	671	606	106	(17)
other pre-transfer	977	1,102	809	690	859	919	855	888	917	931	843	(183)	(76)
social insurance	1,730	1,951	1,758	1,934	1,518	1,624	1,517	1,576	1,798	1,827	1,145	(327)	(478)
means-tested cash	2,401	2,709	2,100	2,310	1,929	2,064	1,542	1,602	1,445	1,468	1,253	(645)	(811)
school lunch	315	356	352	387	379	406	343	357	325	330	385	50	(21)
food stamps	1,440	1,624	1,443	1,587	1,274	1,363	1,261	1,310	1,156	1,174	958	(261)	(404)
housing	715	807	579	636	571	611	556	578	632	642	528	(196)	(83)
taxes	(318)	(359)	(432)	(476)	(562)	(602)	(602)	(625)	(644)	(654)	(801)	(243)	(200)
EITC	543	612	1,095	1,204	1,548	1,656	1,764	1,832	1,962	1,992	2,332	1,044	677
effect on transfers of a dollar of earnings												(0.46)	(0.79)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.27	0.21
second quintile, post-tax, post-transfer household income													
pre-transfer income	6,089	6,869	7,174	7,890	8,643	9,245	8,938	9,286	9,858	10,012	11,324	2,376	2,079
pre-welfare income	7,051	7,954	8,131	8,943	9,731	10,408	9,842	10,225	11,022	11,194	12,356	2,454	1,948
post-transfer income	12,412	14,001	13,546	14,898	14,519	15,528	14,734	15,307	15,173	15,409	15,874	1,527	346
post-tax, post-transfer income	12,575	14,185	13,953	15,346	15,017	16,062	15,255	15,848	15,896	16,144	16,802	1,877	741
earnings	5,104	5,757	6,239	6,862	7,630	8,161	7,876	8,182	8,797	8,934	10,220	2,404	2,059
child support	435	490	447	492	490	524	447	484	559	568	574	34	50
other pre-transfer	550	621	488	537	523	559	616	640	502	510	530	(62)	(29)
social insurance	962	1,085	957	1,053	1,087	1,163	904	939	1,164	1,182	1,032	78	(131)
means-tested cash	2,624	2,960	2,689	2,958	2,437	2,606	2,283	2,372	1,824	1,852	1,417	(353)	(1,189)
school lunch	346	390	366	402	356	381	359	373	342	347	377	(10)	(4)
food stamps	1,458	1,645	1,543	1,697	1,286	1,375	1,334	1,386	1,200	1,219	1,028	(270)	(347)
housing	933	1,053	816	898	710	759	916	951	785	797	696	(294)	(63)
taxes	(470)	(530)	(622)	(684)	(776)	(830)	(830)	(862)	(923)	(938)	(997)	(300)	(167)
EITC	633	714	1,029	1,132	1,275	1,363	1,350	1,402	1,647	1,673	1,926	649	562
effect on transfers of a dollar of earnings												(0.35)	(0.84)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.15	0.19

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children).

female heads of primary families, related or unrelated subfamilies with children	144.5 1993	1998 dollars	148.2 1994	1998 dollars	152.4 1995	1998 dollars	156.9 1996	1998 dollars	160.5 1997	1998 dollars	163 1998	93-95	95-98
middle quintile, pre-transfer household income													
pre-transfer income	14,525	16,384	16,222	17,842	18,337	19,613	18,682	19,408	19,560	19,865	21,121	3,229	1,508
pre-welfare income	16,183	18,255	17,979	19,775	19,858	21,239	19,950	20,725	21,126	21,455	22,874	2,984	1,635
post-transfer income	18,083	20,399	20,113	22,121	21,435	22,926	21,601	22,441	22,494	22,845	24,187	2,527	1,261
post-tax, post-transfer income	17,732	20,002	19,977	21,972	21,191	22,665	21,401	22,233	22,113	22,457	23,784	2,663	1,119
earnings	12,590	14,202	14,027	15,428	16,068	17,186	16,863	17,519	17,651	17,926	18,732	2,984	1,546
child support	819	924	1,048	1,152	1,203	1,287	919	955	904	918	1,097	363	(190)
other pre-transfer	1,115	1,258	1,147	1,262	1,066	1,140	899	934	1,005	1,021	1,292	(118)	152
social insurance	1,659	1,871	1,757	1,933	1,520	1,626	1,268	1,318	1,566	1,590	1,753	(245)	127
means-tested cash	936	1,056	1,043	1,147	652	697	760	789	568	577	529	(359)	(168)
school lunch	252	285	280	308	271	289	266	276	251	255	290	5	1
food stamps	556	627	626	688	495	529	453	470	374	380	330	(98)	(199)
housing	156	176	185	203	160	171	173	180	174	176	165	(5)	(7)
taxes	(1,361)	(1,536)	(1,575)	(1,732)	(1,851)	(1,980)	(1,996)	(2,074)	(2,155)	(2,189)	(2,136)	(445)	(155)
EITC	1,010	1,139	1,439	1,583	1,607	1,719	1,796	1,866	1,774	1,801	1,732	580	13
effect on transfers of a dollar of earnings												(0.24)	(0.16)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.05	(0.09)
middle quintile, post-tax, post-transfer household income													
pre-transfer income	14,096	15,901	16,046	17,649	18,098	19,357	18,429	19,145	19,482	19,786	20,915	3,456	1,558
pre-welfare income	15,534	17,523	17,465	19,209	19,299	20,641	19,812	20,582	21,011	21,338	22,347	3,118	1,706
post-transfer income	19,024	21,460	20,728	22,798	22,170	23,712	22,256	23,121	23,297	23,660	24,628	2,253	915
post-tax, post-transfer income	18,176	20,503	19,935	21,926	21,283	22,763	21,649	22,490	22,464	22,814	23,841	2,260	1,078
earnings	12,513	14,115	14,289	15,716	16,040	17,156	16,768	17,420	17,531	17,804	18,949	3,042	1,793
child support	784	884	916	1,008	1,121	1,199	985	1,023	928	942	1,032	315	(167)
other pre-transfer	800	902	841	925	936	1,001	676	702	1,024	1,040	934	99	(67)
social insurance	1,438	1,622	1,419	1,560	1,201	1,284	1,383	1,437	1,528	1,552	1,432	(338)	147
means-tested cash	1,946	2,195	1,703	1,873	1,503	1,608	1,177	1,223	1,176	1,194	1,098	(587)	(509)
school lunch	306	345	315	346	314	335	300	312	289	293	324	(10)	(11)
food stamps	916	1,034	956	1,051	769	822	762	792	627	637	607	(211)	(215)
housing	322	363	289	318	286	306	205	213	195	198	252	(56)	(55)
taxes	(1,535)	(1,732)	(1,806)	(1,986)	(2,101)	(2,247)	(2,143)	(2,226)	(2,304)	(2,340)	(2,333)	(515)	(85)
EITC	687	775	1,013	1,114	1,214	1,298	1,535	1,595	1,471	1,494	1,546	523	248
effect on transfers of a dollar of earnings												(0.40)	(0.36)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												0.00	0.09

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children).

	144.5		148.2		152.4		156.9		160.5		163		
female heads of primary families, related or unrelated subfamilies with children	**1993**	**1998 dollars**	**1994**	**1998 dollars**	**1995**	**1998 dollars**	**1996**	**1998 dollars**	**1997**	**1998 dollars**	**1998**	**93-95**	**95-98**
fourth quintile, pre-transfer household income													
pre-transfer income	26,989	30,444	29,071	31,974	31,045	33,205	31,218	32,432	33,089	33,604	35,351	2,760	2,146
pre-welfare income	28,237	31,852	30,589	33,644	32,632	34,902	32,647	33,916	34,706	35,246	36,916	3,050	2,014
post-transfer income	29,476	33,250	31,661	34,823	33,820	36,172	33,741	35,052	35,496	36,048	37,817	2,923	1,645
post-tax, post-transfer income	26,468	29,856	28,427	31,266	30,368	32,480	30,442	31,626	31,874	32,370	34,055	2,624	1,575
earnings	24,167	27,262	26,041	28,642	27,851	29,788	27,988	29,076	29,582	30,042	31,976	2,527	2,188
child support	1,481	1,671	1,548	1,702	1,549	1,656	1,792	1,862	1,593	1,618	1,715	(15)	59
other pre-transfer	1,340	1,512	1,482	1,630	1,646	1,760	1,438	1,494	1,914	1,944	1,660	248	(101)
social insurance	1,248	1,408	1,518	1,670	1,587	1,697	1,429	1,484	1,617	1,642	1,565	290	(132)
means-tested cash	722	815	565	622	622	666	610	634	390	396	377	(149)	(288)
school lunch	166	187	167	183	192	206	191	199	167	169	189	18	(17)
food stamps	264	298	245	269	301	322	243	252	177	180	234	24	(88)
housing	87	98	95	104	72	77	50	52	56	57	101	(21)	24
taxes	(3,514)	(3,964)	(3,948)	(4,342)	(4,265)	(4,562)	(4,253)	(4,418)	(4,622)	(4,694)	(4,763)	(598)	(201)
EITC	506	571	714	785	813	870	955	992	1,000	1,016	1,001	299	131
effect on transfers of a dollar of earnings												0.06	(0.23)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												(0.12)	(0.03)
fourth quintile, post-tax, post-transfer household income													
pre-transfer income	26,061	29,397	28,218	31,035	30,416	32,532	30,316	31,495	32,073	32,573	34,879	3,135	2,347
pre-welfare income	28,243	31,859	30,380	33,414	32,390	34,642	32,203	33,455	34,464	35,021	36,918	2,784	2,276
post-transfer income	30,407	34,300	32,393	35,628	34,272	36,656	34,095	35,420	36,102	36,665	38,356	2,356	1,700
post-tax, post-transfer income	27,393	30,900	29,171	32,084	31,018	33,175	31,000	32,205	32,718	33,228	34,618	2,275	1,442
earnings	23,292	26,274	25,326	27,855	27,237	29,131	27,187	28,244	28,700	29,147	31,421	2,857	2,290
child support	1,349	1,521	1,552	1,707	1,573	1,682	1,714	1,730	1,594	1,619	1,738	161	56
other pre-transfer	1,420	1,601	1,340	1,474	1,607	1,719	1,416	1,471	1,780	1,807	1,719	117	0
social insurance	2,182	2,462	2,162	2,378	1,973	2,110	1,887	1,960	2,411	2,448	2,040	(351)	(71)
means-tested cash	1,323	1,492	1,210	1,331	1,090	1,165	1,132	1,176	929	944	767	(327)	(398)
school lunch	203	230	210	231	232	248	242	252	216	220	214	19	(34)
food stamps	519	586	482	530	480	514	405	420	366	372	353	(72)	(161)
housing	119	134	111	122	81	87	112	117	106	108	104	(47)	17
taxes	(3,510)	(3,960)	(3,975)	(4,372)	(4,199)	(4,491)	(4,219)	(4,383)	(4,497)	(4,567)	(4,814)	(531)	(324)
EITC	497	560	752	827	944	1,010	1,124	1,168	1,113	1,130	1,076	449	66
effect on transfers of a dollar of earnings												(0.27)	(0.28)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												(0.03)	(0.11)

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children).

female heads of primary families, related or unrelated subfamilies with children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	1998	93-95	95-98
	144.5		148.2		152.4		156.9		160.5		163		
top quintile, pre-transfer household income													
pre-transfer income	57,545	64,913	59,645	65,601	65,621	70,185	69,877	72,593	72,023	73,145	74,834	5,273	4,648
pre-welfare income	59,238	66,822	61,080	67,180	67,392	72,079	71,474	74,252	73,777	74,926	76,140	5,257	4,061
post-transfer income	59,841	67,503	61,785	67,955	68,186	72,929	71,907	74,703	74,250	75,407	76,441	5,426	3,513
post-tax, post-transfer income	48,659	54,889	50,302	55,325	55,601	59,468	59,300	61,606	60,248	61,187	62,305	4,579	2,838
earnings	50,519	56,987	53,443	58,780	57,304	61,290	62,222	64,641	63,731	64,724	66,818	4,303	5,528
child support	1,957	2,208	1,973	2,170	2,030	2,171	2,217	2,304	2,296	2,332	2,283	(37)	112
other pre-transfer	5,069	5,718	4,229	4,652	6,287	6,725	5,437	5,649	5,996	6,089	5,733	1,007	(992)
social insurance	1,693	1,910	1,436	1,579	1,771	1,894	1,597	1,659	1,754	1,781	1,306	(15)	(588)
means-tested cash	379	427	417	459	557	596	220	228	261	265	121	169	(475)
school lunch	89	100	114	125	102	109	94	98	105	107	110	9	1
food stamps	102	116	155	171	117	126	84	87	94	95	57	10	(69)
housing	33	38	19	21	17	19	36	38	14	14	13	(19)	(5)
taxes	(11,568)	(13,049)	(12,048)	(13,251)	(13,237)	(14,157)	(13,349)	(13,868)	(14,733)	(14,963)	(14,821)	(1,108)	(663)
EITC	386	436	565	621	651	696	742	770	731	743	685	261	(12)
effect on transfers of a dollar of earnings												0.04	(0.21)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												(0.20)	(0.12)
top quintile, post-tax, post-transfer household income													
pre-transfer income	56,135	63,322	58,010	63,804	64,049	68,503	68,530	71,195	70,434	71,531	73,238	5,181	4,735
pre-welfare income	58,860	66,396	61,000	67,092	67,269	71,948	71,317	74,089	73,796	74,946	75,940	5,552	3,992
post-transfer income	60,155	67,857	62,434	68,669	68,716	73,495	72,327	75,139	74,725	75,889	76,701	5,639	3,205
post-tax, post-transfer income	49,459	55,792	51,629	56,785	56,806	60,757	60,301	62,645	61,328	62,284	63,351	4,986	2,594
earnings	48,698	54,933	51,239	56,356	55,452	59,309	60,612	62,969	61,946	62,911	64,799	4,376	5,490
child support	1,963	2,214	1,984	2,182	1,999	2,138	2,211	2,297	2,183	2,217	2,250	(76)	112
other pre-transfer	5,474	6,175	4,787	5,265	6,598	7,057	5,707	5,929	6,304	6,402	6,190	882	(867)
social insurance	2,725	3,073	2,990	3,289	3,220	3,444	2,786	2,895	3,362	3,415	2,702	371	(743)
means-tested cash	902	1,017	916	1,008	974	1,041	641	666	614	623	395	25	(647)
school lunch	115	130	155	170	141	151	121	125	124	126	151	21	1
food stamps	221	249	298	328	294	315	201	209	165	167	167	65	(148)
housing	58	65	64	70	38	41	48	50	26	27	48	(24)	7
taxes	(11,127)	(12,552)	(11,489)	(12,636)	(12,709)	(13,593)	(12,867)	(13,368)	(14,284)	(14,507)	(14,224)	(1,041)	(631)
EITC	432	487	684	752	799	855	841	874	887	901	874	368	19
effect on transfers of a dollar of earnings												0.10	(0.28)
effect on taxes of a dollar of earnings (note - positive values represent lower net taxes)												(0.15)	(0.11)

Sources: March CPS, female family heads (heads of primary families and heads of unrelated subfamilies with children)

female heads of primary families, related or unrelated subfamilies with children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	
pre-transfer income											
all	18,379	20,732	19,332	21,263	21,304	22,786	22,463	23,336	23,392	23,756	25,023
bottom quintile	53	60	110	121	317	339	473	491	533	541	929
second quintile	3,622	4,086	4,686	5,154	6,330	6,770	6,495	6,748	7,043	7,153	8,831
middle quintile	12,198	13,759	13,451	14,794	15,516	16,595	15,741	16,353	16,258	16,511	18,205
fourth quintile	23,513	26,523	24,939	27,429	27,039	28,920	27,297	28,358	28,581	29,026	30,541
top quintile	52,487	59,207	53,451	58,789	57,301	61,286	62,259	64,680	64,486	65,491	66,583
post-tax, cash and noncash income											
all	20,720	23,373	21,927	24,117	23,700	25,348	24,523	25,477	25,133	25,524	26,435
bottom quintile	5,824	6,569	6,621	7,283	7,146	7,643	7,069	7,344	6,929	7,037	7,067
second quintile	11,461	12,929	12,592	13,849	13,677	14,628	13,775	14,310	14,293	14,516	15,227
middle quintile	16,212	18,288	17,624	19,384	18,985	20,305	19,446	20,202	19,996	20,307	21,514
fourth quintile	24,377	27,498	25,758	28,330	27,431	29,339	27,627	28,701	28,829	29,278	30,525
top quintile	45,722	51,576	47,021	51,717	51,240	54,804	54,672	56,797	55,573	56,439	57,782

source: March CPS, includes females heading primary families and unrelated subfamilies with related children

	144.5	148.2	152.4	156.9	160.5	163
pre-transfer, pre-tax						
bottom/top	0.1%	0.2%	0.6%	0.8%	0.8%	1.4%
bottom/middle	0.4%	0.8%	2.0%	3.0%	3.3%	5.1%
middle/top	23.2%	25.2%	27.1%	25.3%	25.2%	27.3%
post-tax, cash and noncash						
bottom/top	12.7%	14.1%	13.9%	12.9%	12.5%	12.2%
bottom/middle	35.9%	37.6%	37.6%	36.4%	34.7%	32.9%
middle/top	35.5%	37.5%	37.1%	35.6%	36.0%	37.2%

female heads of primary families, related or unrelated subfamilies with children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	
pre-transfer income											
all	20,869	23,541	22,316	24,544	24,748	26,469	25,801	26,804	26,953	27,373	28,739
bottom quintile	165	186	254	280	575	615	776	807	988	1,003	1,492
second quintile	5,105	5,759	6,341	6,974	8,124	8,689	8,417	8,744	9,085	9,227	10,869
middle quintile	14,525	16,384	16,222	17,842	18,337	19,613	18,682	19,408	19,560	19,865	21,121
fourth quintile	26,989	30,444	29,071	31,974	31,045	33,205	31,218	32,432	33,089	33,604	35,351
top quintile	57,545	64,913	59,645	65,601	65,621	70,185	69,877	72,593	72,023	73,145	74,834
post-tax, cash and noncash income											
all	22,919	25,854	24,477	26,921	26,503	28,346	27,326	28,389	28,194	28,633	29,463
bottom quintile	6,961	7,852	7,673	8,439	8,346	8,927	8,380	8,705	8,536	8,669	8,673
second quintile	12,575	14,185	13,953	15,346	15,017	16,062	15,255	15,848	15,896	16,144	16,802
middle quintile	18,176	20,503	19,935	21,926	21,283	22,763	21,649	22,490	22,464	22,814	23,841
fourth quintile	27,393	30,900	29,171	32,084	31,018	33,175	31,000	32,205	32,718	33,228	34,618
top quintile	49,459	55,792	51,629	56,785	56,806	60,757	60,301	62,645	61,328	62,284	63,351

source: March CPS, includes females heading primary families and unrelated subfamilies with related children

	144.5	148.2	152.4	156.9	160.5	163
pre-transfer, pre-tax						
bottom/top	0.3%	0.4%	0.9%	1.1%	1.4%	2.0%
bottom/middle	1.1%	1.6%	3.1%	4.2%	5.0%	7.1%
middle/top	25.2%	27.2%	27.9%	26.7%	27.2%	28.2%
post-tax, cash and noncash						
bottom/top	14.1%	14.9%	14.7%	13.9%	13.9%	13.7%
bottom/middle	38.3%	38.5%	39.2%	38.7%	38.0%	36.4%
middle/top	36.7%	38.6%	37.5%	35.9%	36.6%	37.6%

female heads of primary families, related or unrelated subfamilies with children	1993	1994	1995	1996	1997	1993	1994	1995	1996	1997	1998
	pre-transfer poverty					pre-welfare poverty					
all persons											
less than 50%	37.3%	36.2%	32.7%	32.1%	31.8%	33.1%	31.6%	28.4%	27.8%	26.5%	23.5%
50% to 74%	7.3%	8.2%	7.5%	7.3%	7.6%	7.5%	8.6%	8.6%	8.0%	8.5%	7.7%
75% to 99%	6.5%	7.3%	7.4%	7.0%	8.0%	6.4%	7.1%	7.6%	7.2%	8.3%	8.8%
less than 100%	51.1%	51.7%	47.6%	46.4%	47.4%	47.0%	47.3%	44.5%	43.0%	43.2%	39.9%
100% to 129%	8.5%	7.7%	8.1%	8.7%	8.6%	8.6%	8.3%	8.3%	9.3%	9.1%	8.7%
130% to 149%	4.7%	4.6%	5.8%	4.6%	4.5%	5.8%	5.1%	5.2%	4.9%	4.8%	5.2%
150% to 184%	7.2%	7.2%	8.6%	8.8%	7.5%	7.5%	7.7%	9.1%	8.7%	7.6%	9.1%
185% to 299%	15.4%	15.8%	17.1%	17.5%	17.3%	17.2%	17.1%	18.8%	19.1%	19.0%	20.2%
300% and greater	13.0%	13.1%	12.8%	13.9%	14.7%	14.0%	14.5%	14.1%	15.1%	16.2%	16.8%
all persons under 18											
less than 50%	43.1%	41.9%	38.2%	37.4%	36.8%	39.2%	37.6%	33.8%	33.0%	31.6%	28.3%
50% to 74%	7.5%	8.6%	8.1%	7.6%	8.3%	7.7%	8.9%	9.3%	8.5%	9.4%	8.0%
75% to 99%	6.4%	7.4%	7.5%	7.1%	8.2%	6.6%	7.2%	8.0%	7.6%	8.4%	9.6%
less than 100%	57.0%	57.9%	53.8%	52.1%	53.3%	53.6%	53.8%	51.1%	49.0%	49.5%	45.9%
100% to 129%	8.4%	7.2%	8.1%	8.7%	8.4%	8.6%	8.0%	8.4%	9.3%	9.1%	8.9%
130% to 149%	4.4%	4.2%	5.1%	4.6%	4.4%	5.2%	4.8%	4.7%	4.7%	4.8%	5.1%
150% to 184%	6.5%	6.9%	7.9%	8.0%	7.2%	6.7%	7.6%	8.3%	8.0%	7.5%	8.5%
185% to 299%	13.6%	13.8%	14.9%	15.7%	15.2%	15.1%	14.8%	16.3%	17.1%	16.6%	18.1%
300% and greater	10.1%	10.0%	10.2%	10.9%	11.5%	10.7%	11.0%	11.1%	11.8%	12.5%	13.4%
related children											
less than 50%	43.0%	41.8%	38.2%	37.3%	36.7%	39.2%	37.6%	33.8%	32.9%	31.6%	28.2%
50% to 74%	7.5%	8.6%	8.1%	7.7%	8.4%	7.7%	8.9%	9.3%	8.5%	9.5%	8.0%
75% to 99%	6.4%	7.4%	7.5%	7.1%	8.2%	6.6%	7.2%	8.0%	7.5%	8.4%	9.6%
less than 100%	56.9%	57.8%	53.8%	52.0%	53.2%	53.5%	53.7%	51.2%	49.0%	49.4%	45.8%
100% to 129%	8.4%	7.2%	8.1%	8.7%	8.4%	8.6%	8.0%	8.4%	9.3%	9.1%	9.0%
130% to 149%	4.4%	4.3%	5.1%	4.6%	4.3%	5.2%	4.8%	4.7%	4.7%	4.8%	5.1%
150% to 184%	6.5%	6.9%	7.9%	8.0%	7.2%	6.8%	7.7%	8.3%	8.0%	7.5%	8.5%
185% to 299%	13.6%	13.8%	14.9%	15.7%	15.3%	15.2%	14.9%	16.2%	17.2%	16.7%	18.2%
300% and greater	10.1%	10.0%	10.2%	11.0%	11.6%	10.8%	11.0%	11.2%	11.8%	12.5%	13.4%
aged 65 or older											
less than 50%	28.9%	32.3%	24.3%	27.7%	33.9%	11.9%	14.1%	9.5%	10.5%	10.4%	8.3%
50% to 74%	8.0%	6.2%	5.7%	6.7%	5.5%	10.5%	8.6%	7.0%	9.8%	10.5%	7.3%
75% to 99%	9.6%	7.4%	6.8%	10.7%	7.4%	7.0%	6.2%	7.5%	7.6%	9.6%	9.9%
less than 100%	46.5%	45.8%	36.8%	45.2%	46.8%	29.4%	28.8%	24.0%	27.9%	30.5%	25.4%
100% to 129%	10.6%	9.0%	5.1%	5.1%	10.5%	8.7%	10.5%	7.1%	8.2%	9.3%	8.0%
130% to 149%	3.7%	2.2%	8.1%	5.2%	4.1%	10.7%	4.5%	3.7%	8.0%	4.9%	5.5%
150% to 184%	7.1%	9.9%	9.0%	8.9%	8.1%	7.4%	7.1%	8.8%	10.5%	6.3%	10.2%
185% to 299%	14.1%	21.5%	23.3%	19.7%	17.3%	20.4%	29.0%	30.4%	21.4%	26.9%	30.1%
300% and greater	18.0%	11.7%	17.7%	15.9%	13.2%	23.5%	20.1%	26.0%	24.1%	22.1%	20.8%

female heads of primary families, related or unrelated subfamilies with children	1993	1994	1995	1996	1997	1998	1993	1994	1995	1996	1997	1998
	official poverty						cash and noncash poverty					
all persons												
less than 50%	21.8%	21.6%	18.1%	19.3%	20.1%	17.7%	8.4%	8.4%	7.8%	7.8%	9.7%	8.6%
50% to 74%	13.4%	12.6%	12.6%	11.2%	10.5%	9.4%	14.5%	14.0%	12.1%	12.0%	11.5%	10.7%
75% to 99%	8.6%	9.1%	10.6%	9.4%	9.7%	10.5%	15.5%	14.3%	14.2%	14.4%	14.3%	13.2%
less than 100%	43.8%	43.3%	41.4%	39.9%	40.3%	37.6%	38.4%	36.7%	34.2%	34.2%	35.5%	32.5%
100% to 129%	9.6%	9.6%	9.5%	10.1%	10.2%	9.4%	12.3%	13.3%	13.9%	13.1%	12.6%	12.2%
130% to 149%	5.7%	5.9%	5.7%	5.7%	5.3%	5.8%	6.8%	7.1%	6.9%	6.8%	5.9%	6.2%
150% to 184%	8.8%	8.7%	9.1%	9.5%	8.6%	9.2%	9.9%	9.0%	9.8%	10.1%	9.5%	10.3%
185% to 299%	17.9%	17.9%	19.8%	19.4%	19.1%	21.1%	18.3%	19.0%	20.7%	20.3%	19.7%	21.7%
300% and greater	14.1%	14.6%	14.4%	15.3%	16.6%	16.9%	14.3%	14.9%	14.5%	15.4%	16.7%	17.2%
all persons under 18												
less than 50%	26.4%	26.3%	21.8%	23.7%	24.4%	21.6%	9.6%	9.8%	9.1%	9.1%	11.3%	10.2%
50% to 74%	15.2%	14.2%	14.7%	12.4%	12.0%	10.4%	17.2%	16.7%	14.2%	14.2%	13.7%	12.4%
75% to 99%	8.9%	9.4%	11.4%	9.9%	10.3%	11.6%	17.7%	16.3%	16.2%	16.3%	16.2%	15.2%
less than 100%	50.5%	49.8%	47.8%	45.9%	46.7%	43.6%	44.6%	42.7%	39.5%	39.6%	41.2%	37.8%
100% to 129%	9.9%	9.5%	9.7%	10.3%	10.2%	9.6%	12.9%	13.6%	14.9%	13.8%	13.1%	12.8%
130% to 149%	5.1%	5.5%	5.4%	5.7%	5.3%	5.7%	6.4%	6.8%	6.7%	6.7%	6.1%	6.4%
150% to 184%	7.8%	8.6%	8.7%	8.6%	8.4%	8.7%	8.9%	8.9%	9.6%	9.6%	9.3%	9.9%
185% to 299%	15.8%	15.5%	17.1%	17.5%	16.7%	18.9%	16.2%	16.7%	17.8%	18.2%	17.5%	19.4%
300% and greater	10.9%	11.1%	11.4%	12.0%	12.7%	13.5%	11.0%	11.3%	11.4%	12.0%	12.9%	13.7%
related children												
less than 50%	26.3%	26.2%	21.7%	23.6%	24.3%	21.5%	9.6%	9.7%	9.1%	9.1%	11.2%	10.1%
50% to 74%	15.2%	14.2%	14.7%	12.3%	12.0%	10.4%	17.2%	16.6%	14.2%	14.2%	13.7%	12.4%
75% to 99%	8.9%	9.4%	11.4%	9.9%	10.3%	11.6%	17.7%	16.3%	16.2%	16.3%	16.2%	15.3%
less than 100%	50.4%	49.7%	47.8%	45.8%	46.6%	43.5%	44.5%	42.7%	39.5%	39.5%	41.2%	37.7%
100% to 129%	10.0%	9.5%	9.7%	10.3%	10.2%	9.6%	13.0%	13.6%	15.0%	13.8%	13.1%	12.8%
130% to 149%	5.1%	5.6%	5.4%	5.7%	5.3%	5.7%	6.4%	6.8%	6.7%	6.7%	6.1%	6.4%
150% to 184%	7.8%	8.6%	8.7%	8.6%	8.4%	8.7%	9.0%	9.0%	9.6%	9.6%	9.3%	9.9%
185% to 299%	15.9%	15.5%	17.0%	17.6%	16.8%	18.9%	16.2%	16.7%	17.8%	18.3%	17.5%	19.5%
300% and greater	10.9%	11.1%	11.4%	12.0%	12.8%	13.5%	11.0%	11.3%	11.4%	12.0%	12.9%	13.7%
aged 65 or older												
less than 50%	6.7%	6.6%	5.7%	3.5%	7.9%	5.3%	2.6%	5.2%	2.2%	1.9%	2.8%	3.6%
50% to 74%	7.3%	9.8%	6.4%	10.4%	8.6%	8.3%	6.1%	6.8%	7.6%	5.9%	8.5%	6.9%
75% to 99%	8.5%	8.3%	8.5%	10.5%	8.2%	8.3%	10.3%	8.3%	8.5%	13.1%	11.3%	7.8%
less than 100%	22.5%	24.7%	20.5%	24.4%	24.7%	21.9%	18.9%	20.3%	18.3%	20.9%	22.6%	18.2%
100% to 129%	11.6%	12.1%	9.1%	7.9%	12.3%	9.0%	11.7%	13.6%	9.7%	9.4%	13.1%	11.1%
130% to 149%	10.1%	4.7%	3.3%	7.8%	6.5%	6.9%	11.3%	8.1%	4.5%	8.0%	6.6%	7.7%
150% to 184%	10.7%	9.0%	9.1%	13.5%	6.6%	8.9%	12.8%	9.7%	8.2%	13.4%	7.8%	9.5%
185% to 299%	21.6%	29.0%	31.6%	21.1%	27.9%	31.5%	21.6%	29.8%	33.0%	23.0%	27.3%	30.4%
300% and greater	23.5%	20.6%	26.4%	25.2%	22.1%	21.7%	23.6%	20.6%	26.4%	25.3%	22.6%	23.1%

female heads of primary families, related or unrelated subfamilies with children	1993	1994	1995	1996	1997	1998
	post-tax, cash and noncash poverty					
all persons						
less than 50%	8.1%	7.9%	7.2%	6.4%	8.8%	8.0%
50% to 74%	14.0%	12.6%	11.0%	11.2%	9.8%	9.1%
75% to 99%	15.1%	14.8%	13.3%	13.7%	12.8%	11.2%
less than 100%	37.2%	35.3%	31.5%	31.3%	31.4%	28.3%
100% to 129%	14.4%	13.7%	15.0%	14.1%	14.7%	13.5%
130% to 149%	7.8%	8.4%	9.1%	8.9%	8.5%	8.6%
150% to 184%	11.6%	12.1%	11.7%	13.1%	11.6%	12.9%
185% to 299%	19.1%	20.2%	22.8%	22.4%	22.4%	24.7%
300% and greater	10.0%	10.3%	10.0%	10.3%	11.5%	12.0%
all persons under 18						
less than 50%	9.3%	9.2%	8.5%	7.5%	10.2%	9.5%
50% to 74%	16.7%	14.8%	12.7%	13.2%	11.6%	10.7%
75% to 99%	17.2%	16.9%	15.4%	15.3%	14.8%	12.7%
less than 100%	43.2%	40.9%	36.5%	36.1%	36.6%	32.9%
100% to 129%	15.0%	14.4%	15.8%	15.0%	15.4%	14.4%
130% to 149%	7.4%	8.2%	9.1%	9.1%	8.6%	9.0%
150% to 184%	10.5%	11.7%	11.4%	12.4%	11.2%	12.4%
185% to 299%	16.4%	17.2%	19.4%	19.4%	19.4%	22.0%
300% and greater	7.4%	7.6%	7.7%	8.1%	8.7%	9.4%
related children						
less than 50%	9.2%	9.2%	8.5%	7.5%	10.1%	9.4%
50% to 74%	16.7%	14.8%	12.7%	13.2%	11.6%	10.7%
75% to 99%	17.2%	16.8%	15.4%	15.3%	14.9%	12.7%
less than 100%	43.1%	40.8%	36.6%	36.0%	36.6%	32.8%
100% to 129%	15.0%	14.4%	15.8%	14.9%	15.4%	14.5%
130% to 149%	7.4%	8.2%	9.1%	9.1%	8.6%	8.9%
150% to 184%	10.6%	11.7%	11.4%	12.5%	11.3%	12.4%
185% to 299%	16.4%	17.2%	19.4%	19.5%	19.4%	22.0%
300% and greater	7.4%	7.6%	7.8%	8.1%	8.7%	9.4%
aged 65 or older						
less than 50%	2.4%	5.0%	2.2%	1.1%	2.8%	3.6%
50% to 74%	6.0%	6.0%	8.1%	6.5%	7.3%	6.7%
75% to 99%	10.9%	9.8%	6.7%	12.2%	11.5%	6.8%
less than 100%	19.3%	20.8%	17.0%	19.7%	21.6%	17.1%
100% to 129%	12.3%	11.9%	12.4%	9.9%	14.3%	10.9%
130% to 149%	11.5%	8.3%	5.1%	8.1%	7.3%	8.1%
150% to 184%	12.9%	10.0%	7.9%	15.3%	7.9%	12.8%
185% to 299%	23.9%	33.9%	37.4%	26.5%	31.1%	34.3%
300% and greater	20.1%	15.1%	20.4%	20.6%	17.7%	16.8%

source: March CPS, includes females heading primary families and unrelated subfamilies with related children

female heads of primary families, related or unrelated subfamilies with children	pre-transfer poverty					pre-welfare poverty					
	1993	1994	1995	1996	1997	1993	1994	1995	1996	1997	1998
all persons											
less than 50%	34.6%	33.2%	30.3%	29.0%	28.9%	30.3%	28.8%	26.2%	24.7%	23.9%	21.0%
50% to 74%	7.4%	8.2%	7.1%	7.2%	7.0%	7.8%	8.5%	8.0%	7.9%	7.6%	7.3%
75% to 99%	6.5%	7.2%	7.1%	6.9%	7.8%	6.1%	7.0%	7.3%	7.3%	7.9%	8.3%
less than 100%	48.4%	46.6%	44.5%	43.1%	43.6%	44.1%	44.4%	41.5%	39.9%	39.4%	36.6%
100% to 129%	8.2%	7.6%	8.2%	8.7%	8.3%	8.4%	8.0%	8.3%	9.1%	8.6%	8.8%
130% to 149%	4.9%	4.3%	5.6%	4.9%	4.6%	5.9%	4.9%	5.1%	5.1%	5.1%	5.2%
150% to 184%	7.4%	7.2%	8.4%	8.9%	8.2%	7.8%	7.6%	8.9%	8.9%	8.4%	9.1%
185% to 299%	16.6%	17.0%	18.2%	18.5%	18.6%	18.2%	18.4%	19.9%	19.8%	20.0%	21.1%
300% and greater	14.5%	15.2%	15.0%	15.9%	16.7%	15.6%	16.6%	16.4%	17.3%	18.4%	19.3%
all persons under 18											
less than 50%	39.9%	38.3%	35.5%	33.5%	33.5%	36.0%	34.3%	31.1%	29.2%	28.7%	25.4%
50% to 74%	7.8%	8.7%	7.6%	7.8%	7.7%	8.1%	9.1%	8.8%	8.6%	8.6%	7.6%
75% to 99%	6.3%	7.4%	7.3%	7.0%	7.9%	6.2%	7.2%	7.8%	7.6%	8.0%	9.0%
less than 100%	54.0%	54.4%	50.4%	48.2%	49.1%	50.3%	50.5%	47.7%	45.4%	45.2%	42.0%
100% to 129%	8.0%	7.3%	8.2%	8.7%	7.9%	8.5%	7.7%	8.4%	9.2%	8.5%	9.2%
130% to 149%	4.7%	4.0%	5.0%	5.0%	4.6%	5.4%	4.6%	4.6%	5.0%	5.0%	5.1%
150% to 184%	6.7%	7.0%	7.7%	8.2%	8.1%	7.1%	7.7%	8.1%	8.3%	8.4%	8.6%
185% to 299%	15.0%	15.1%	16.2%	16.9%	16.7%	16.4%	16.3%	17.6%	18.1%	17.9%	19.1%
300% and greater	11.7%	12.2%	12.6%	13.0%	13.7%	12.4%	13.2%	13.6%	14.1%	14.9%	15.9%
related children											
less than 50%	39.8%	38.3%	35.5%	33.5%	33.4%	35.9%	34.2%	31.2%	29.2%	28.6%	25.3%
50% to 74%	7.7%	8.7%	7.6%	7.8%	7.7%	8.1%	9.1%	8.8%	8.6%	8.6%	7.6%
75% to 99%	6.3%	7.4%	7.3%	7.0%	7.8%	6.2%	7.2%	7.8%	7.6%	7.9%	9.0%
less than 100%	53.9%	54.4%	50.4%	48.2%	49.0%	50.2%	50.4%	47.8%	45.3%	45.2%	41.9%
100% to 129%	8.0%	7.3%	8.1%	8.7%	7.9%	8.5%	7.7%	8.4%	9.2%	8.6%	9.2%
130% to 149%	4.7%	4.0%	5.0%	5.0%	4.6%	5.5%	4.6%	4.6%	5.0%	5.0%	5.2%
150% to 184%	6.7%	7.0%	7.7%	8.2%	8.1%	7.1%	7.7%	8.1%	8.2%	8.4%	8.6%
185% to 299%	15.0%	15.1%	16.1%	17.0%	16.7%	16.4%	16.3%	17.5%	18.1%	18.0%	19.2%
300% and greater	11.7%	12.2%	12.6%	13.0%	13.7%	12.4%	13.2%	13.6%	14.1%	14.9%	15.9%
aged 65 or older											
less than 50%	28.8%	31.9%	24.1%	27.6%	33.2%	11.8%	13.9%	9.3%	10.2%	10.4%	7.2%
50% to 74%	7.9%	6.2%	4.9%	7.4%	5.0%	10.5%	8.3%	6.5%	9.8%	9.8%	6.8%
75% to 99%	9.8%	7.0%	7.0%	10.0%	7.7%	7.1%	5.8%	7.8%	8.5%	8.8%	9.1%
less than 100%	46.5%	45.0%	36.0%	45.0%	45.8%	29.4%	28.0%	23.6%	28.5%	29.0%	23.2%
100% to 129%	9.7%	9.6%	5.6%	4.8%	10.3%	8.7%	10.6%	7.3%	7.4%	9.1%	8.0%
130% to 149%	3.7%	1.7%	8.1%	5.5%	3.6%	10.4%	4.5%	3.8%	8.0%	5.4%	6.3%
150% to 184%	7.3%	9.6%	9.0%	9.1%	8.5%	7.7%	6.5%	8.4%	10.5%	7.1%	10.4%
185% to 299%	14.1%	21.9%	23.1%	19.4%	17.5%	19.5%	30.0%	30.1%	21.5%	25.6%	30.3%
300% and greater	18.7%	12.2%	18.2%	16.1%	14.3%	24.4%	20.3%	26.7%	24.1%	23.8%	21.8%

female heads of primary families, related or unrelated subfamilies with children	official poverty						cash and noncash poverty					
	1993	1994	1995	1996	1997	1998	1993	1994	1995	1996	1997	1998
all persons												
less than 50%	19.6%	19.3%	16.0%	16.5%	17.7%	15.3%	6.5%	6.9%	6.1%	5.7%	7.6%	6.4%
50% to 74%	12.6%	11.9%	12.0%	10.9%	9.5%	9.0%	13.5%	12.6%	11.0%	11.0%	10.3%	10.0%
75% to 99%	8.5%	8.7%	10.3%	9.4%	9.1%	9.7%	15.0%	13.3%	14.2%	14.0%	13.7%	12.6%
less than 100%	40.7%	39.9%	38.3%	36.8%	36.3%	34.1%	34.9%	32.9%	31.2%	30.7%	31.7%	29.0%
100% to 129%	9.6%	9.7%	9.3%	10.0%	9.9%	9.5%	12.2%	13.4%	13.1%	13.0%	11.9%	12.2%
130% to 149%	5.8%	5.8%	5.7%	5.7%	5.3%	5.7%	7.1%	7.0%	7.0%	7.1%	6.0%	6.1%
150% to 184%	9.0%	8.6%	8.9%	9.6%	9.5%	9.2%	10.3%	9.2%	9.7%	10.3%	10.3%	10.0%
185% to 299%	19.0%	19.2%	21.0%	20.3%	20.2%	22.1%	19.4%	20.4%	22.0%	21.2%	21.1%	22.9%
300% and greater	15.8%	16.8%	16.8%	17.6%	18.8%	19.4%	16.1%	17.1%	16.9%	17.7%	19.0%	19.7%
all persons under 18												
less than 50%	23.8%	23.5%	19.1%	20.2%	21.5%	18.9%	7.4%	8.0%	7.0%	6.6%	8.8%	7.6%
50% to 74%	14.2%	13.4%	14.0%	12.1%	11.1%	10.0%	16.0%	15.0%	12.9%	12.8%	12.4%	11.8%
75% to 99%	8.8%	9.0%	11.1%	9.9%	9.6%	10.6%	17.1%	15.3%	16.1%	15.9%	15.7%	14.5%
less than 100%	46.8%	45.9%	44.2%	42.2%	42.2%	39.5%	40.6%	38.3%	36.0%	35.3%	36.9%	33.8%
100% to 129%	10.1%	9.7%	9.4%	10.2%	9.9%	10.0%	12.9%	13.9%	14.2%	13.8%	12.3%	13.0%
130% to 149%	5.3%	5.4%	5.4%	5.7%	5.2%	5.7%	6.8%	6.7%	6.9%	7.1%	6.2%	6.3%
150% to 184%	8.1%	8.6%	8.5%	8.9%	9.4%	8.8%	9.3%	9.3%	9.5%	9.8%	10.1%	9.7%
185% to 299%	17.1%	17.0%	18.4%	18.7%	18.2%	20.1%	17.6%	18.1%	19.3%	19.5%	19.2%	20.9%
300% and greater	12.6%	13.4%	13.9%	14.3%	15.1%	16.0%	12.8%	13.6%	14.1%	14.5%	15.3%	16.3%
related children												
less than 50%	23.7%	23.4%	19.1%	20.2%	21.5%	18.8%	7.4%	8.0%	7.0%	6.6%	8.8%	7.5%
50% to 74%	14.2%	13.4%	14.0%	12.1%	11.1%	10.0%	16.1%	14.9%	12.9%	12.8%	12.4%	11.8%
75% to 99%	8.8%	9.0%	11.2%	9.9%	9.6%	10.6%	17.1%	15.3%	16.1%	15.8%	15.7%	14.5%
less than 100%	46.8%	45.8%	44.3%	42.1%	42.1%	39.4%	40.5%	36.2%	36.1%	35.3%	36.9%	33.8%
100% to 129%	10.1%	9.7%	9.4%	10.2%	9.9%	10.0%	12.9%	13.9%	14.2%	13.8%	12.3%	13.0%
130% to 149%	5.3%	5.5%	5.4%	5.7%	5.2%	5.7%	6.6%	6.7%	6.9%	7.1%	6.2%	6.3%
150% to 184%	8.1%	8.6%	8.6%	8.9%	9.4%	8.8%	9.3%	9.3%	9.5%	9.7%	10.2%	9.7%
185% to 299%	17.2%	17.0%	18.4%	18.7%	18.2%	20.1%	17.6%	18.1%	19.3%	19.5%	19.2%	20.9%
300% and greater	12.6%	13.4%	14.0%	14.3%	15.1%	16.0%	12.8%	13.6%	14.1%	14.5%	15.3%	16.3%
aged 65 or older												
less than 50%	6.6%	6.3%	5.4%	3.5%	7.9%	4.0%	2.4%	4.7%	2.2%	1.9%	2.8%	2.3%
50% to 74%	7.3%	10.0%	6.3%	10.1%	7.9%	7.8%	6.1%	6.9%	7.4%	5.6%	7.8%	6.4%
75% to 99%	8.7%	7.6%	8.8%	10.7%	7.4%	7.4%	10.4%	7.9%	8.6%	12.9%	10.1%	6.8%
less than 100%	22.5%	23.9%	20.6%	24.3%	23.1%	19.2%	18.9%	19.5%	18.1%	20.4%	20.7%	15.5%
100% to 129%	11.6%	12.2%	8.9%	7.8%	12.1%	9.4%	11.9%	13.8%	9.7%	9.7%	13.2%	11.7%
130% to 149%	9.8%	4.5%	2.7%	7.4%	6.9%	7.7%	10.5%	5.9%	4.1%	7.6%	7.0%	8.4%
150% to 184%	10.9%	8.5%	9.4%	13.9%	7.5%	9.0%	13.4%	9.2%	8.2%	13.8%	8.7%	9.6%
185% to 299%	20.7%	30.1%	31.3%	21.3%	26.6%	31.8%	20.7%	30.8%	32.7%	23.0%	26.0%	30.7%
300% and greater	24.4%	20.8%	27.1%	25.3%	23.8%	22.8%	24.6%	20.8%	27.1%	25.4%	24.4%	24.1%

female heads of primary families, related or unrelated subfamilies with children	post-tax, cash and noncash poverty					
	1993	1994	1995	1996	1997	1998
all persons						
less than 50%	6.3%	6.5%	5.6%	4.7%	6.8%	6.0%
50% to 74%	13.0%	11.2%	10.1%	10.2%	9.4%	8.7%
75% to 99%	14.8%	14.2%	13.5%	13.6%	11.9%	10.9%
less than 100%	34.1%	31.9%	29.2%	28.4%	28.1%	25.6%
100% to 129%	14.3%	13.7%	14.0%	14.0%	14.1%	13.1%
130% to 149%	8.0%	8.3%	8.8%	8.6%	8.5%	8.4%
150% to 184%	11.7%	12.1%	11.9%	13.1%	12.2%	12.9%
185% to 299%	20.8%	21.9%	24.1%	23.7%	24.0%	26.2%
300% and greater	11.2%	12.1%	11.9%	12.2%	13.1%	13.9%
all persons under 18						
less than 50%	7.2%	7.6%	6.5%	5.4%	7.9%	7.1%
50% to 74%	15.6%	13.2%	11.6%	11.9%	11.2%	10.4%
75% to 99%	16.8%	16.3%	15.7%	15.4%	13.8%	12.4%
less than 100%	39.6%	37.1%	33.8%	32.7%	32.9%	29.9%
100% to 129%	15.1%	14.5%	14.9%	15.0%	14.7%	14.0%
130% to 149%	7.6%	8.1%	8.8%	8.7%	8.7%	8.8%
150% to 184%	10.8%	11.8%	11.7%	12.5%	12.0%	12.4%
185% to 299%	18.3%	19.0%	20.9%	21.0%	21.3%	23.6%
300% and greater	8.7%	9.5%	9.9%	10.1%	10.4%	11.3%
related children						
less than 50%	7.2%	7.6%	6.5%	5.4%	7.9%	7.0%
50% to 74%	15.5%	13.2%	11.6%	11.9%	11.2%	10.4%
75% to 99%	16.8%	16.3%	15.7%	15.3%	13.8%	12.4%
less than 100%	39.5%	37.0%	33.9%	32.6%	32.9%	29.9%
100% to 129%	15.1%	14.5%	14.9%	15.0%	14.7%	14.0%
130% to 149%	7.6%	8.1%	8.8%	8.7%	8.7%	8.8%
150% to 184%	10.8%	11.8%	11.7%	12.5%	12.0%	12.4%
185% to 299%	18.3%	19.0%	20.9%	21.1%	21.3%	23.7%
300% and greater	8.7%	9.5%	9.9%	10.1%	10.5%	11.3%
aged 65 or older						
less than 50%	2.4%	4.6%	2.2%	1.1%	2.8%	2.3%
50% to 74%	5.8%	6.1%	7.9%	6.2%	7.0%	6.4%
75% to 99%	11.0%	9.3%	6.6%	12.0%	9.9%	6.2%
less than 100%	19.3%	20.0%	16.7%	19.2%	19.7%	14.9%
100% to 129%	12.4%	11.9%	12.2%	10.5%	14.6%	11.9%
130% to 149%	10.8%	8.3%	4.7%	7.8%	7.6%	8.1%
150% to 184%	13.5%	10.0%	8.4%	15.3%	9.8%	12.6%
185% to 299%	23.2%	34.5%	36.8%	26.7%	29.8%	35.5%
300% and greater	20.9%	15.4%	21.2%	20.5%	18.5%	17.0%

source: March CPS, includes females heading primary families and unrelated subfamilies with related children

female heads of primary families, related or unrelated subfamilies with children	1993	1998 dollars	1994	1998 dollars	1995	1998 dollars	1996	1998 dollars	1997	1998 dollars	1998
family income											
pretransfer	53.8	60.7	52.5	57.7	48.8	52.2	48.8	50.7	49.3	50.1	44.1
prewelfare	47.5	53.6	46.0	50.5	42.9	45.9	42.6	44.2	42.1	42.7	38.1
official	32.2	36.3	31.1	34.2	29.3	31.4	30.3	31.4	31.6	32.1	29.4
post-transfer	19.5	22.0	18.7	20.5	17.8	19.0	18.6	19.3	20.5	20.8	19.6
post-tax and transfer	19.0	21.4	17.4	19.2	16.4	17.5	16.7	17.3	18.4	18.7	17.4
household income											
pretransfer	50.8	57.3	49.1	54.0	45.4	48.6	44.8	46.6	45.2	45.9	40.1
prewelfare	44.4	50.0	42.7	46.9	39.5	42.3	38.7	40.2	38.1	38.7	34.2
official	29.3	33.1	28.2	31.0	26.5	28.3	26.8	27.8	27.8	28.2	25.8
post-transfer	16.9	19.1	16.0	17.6	15.2	16.2	15.3	15.9	16.9	17.1	16.2
post-tax and transfer	16.6	18.7	15.1	16.6	14.0	15.0	13.8	14.3	15.2	15.5	14.3
	144.5		148.2		152.4		156.9		160.5		163

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factors associated with poverty changes of persons - pt II

incl EITC

	population	market income	social insurance	cash welfare	food and housing	taxes	total	
50% of poverty or less								
1993-1994	78,471	(420,232)	(146,130)	442,935	70,464	(77,740)	(52,232)	(52,232)
1994-1995	387,426	(1,371,450)	41,370	(193,596)	998,269	(37,606)	(175,587)	(175,587)
1995-1996	(381,173)	(211,047)	31,778	808,005	(345,406)	(285,273)	(383,116)	(383,116)
1996-1997	29,323	(143,587)	(337,461)	774,054	421,057	155,166	898,550	898,550
1997-1998	(45,612)	(1,596,842)	457,644	236,295	492,320	162,058	(294,137)	(294,137)
1993	38,037,397	14,176,310	12,580,154	8,305,191	3,185,713	3,070,062		
		37.3%	33.1%	21.8%	8.4%	8.1%		
1994	38,247,948	13,834,549	12,092,263	8,260,235	3,211,221	3,017,830		
		36.2%	31.6%	21.6%	8.4%	7.9%		
1995	39,319,052	12,850,525	11,149,609	7,123,985	3,073,240	2,842,244		
		32.7%	28.4%	18.1%	7.8%	7.2%		
1996	38,152,767	12,258,304	10,589,166	7,371,548	2,975,397	2,459,128		
		32.1%	27.8%	19.3%	7.8%	6.4%		
1997	38,244,031	12,144,040	10,137,440	7,693,875	3,718,781	3,357,678		
		31.8%	26.5%	20.1%	9.7%	8.8%		
1998	38,100,389	10,501,585	8,952,631	6,745,360	3,262,586	3,063,541		
		27.6%	23.5%	17.7%	8.6%	8.0%		
100% of poverty								
1993-1994	107,562	238,123	(110,059)	(351,798)	(440,939)	(89,174)	(646,285)	(646,285)
1994-1995	553,854	(1,634,028)	486,152	308,113	(313,908)	(507,962)	#######	#######
1995-1996	(554,602)	(438,760)	(117,704)	76,811	658,789	(82,158)	(457,624)	(457,624)
1996-1997	42,349	368,881	(270,554)	28,548	333,631	(414,337)	88,517	88,517
		1) 2mt pre-transfer poor would have dropped						
1997-1998	(68,039)	(1,452,961)	201,433	246,991	(117,970)	(45,175)	#######	#######
1993	38,037,397	19,431,829	17,864,868	16,674,522	14,591,536	14,141,469		
		51.1%	47.0%	43.8%	38.4%	37.2%		
1994	38,247,948	19,777,514	18,100,494	16,558,350	14,034,425	13,495,184		
		51.7%	47.3%	43.3%	36.7%	35.3%		
1995	39,319,052	18,697,339	17,506,471	16,272,441	13,434,608	12,387,405		
		47.6%	44.5%	41.4%	34.2%	31.5%		
1996	38,152,767	17,703,977	16,395,405	15,238,186	13,059,142	11,929,781		
		46.4%	43.0%	39.9%	34.2%	31.3%		
1997	38,244,031	18,115,207	16,536,081	15,407,409	13,561,996	12,018,298		
		47.4%	43.2%	40.3%	35.5%	31.4%		
1998	38,100,389	16,594,206	15,216,513	14,334,832	12,371,449	10,782,576		
		43.6%	39.9%	37.6%	32.5%	28.3%		

in these 6 yrs there was a ↓ in the # of ppl

pre transfer poverty

Pov ↓ bec of Δ in many

pov factors - all persons femwsubs.xls

factors associated with poverty changes of persons under 18

	population	market income	social insurance	cash welfare	food and housing	taxes	total	
50% of poverty or less								
1993-1994	132,661	(229,986)	(100,807)	263,301	(7,108)	(34,918)	23,143	23,143
1994-1995	212,861	(749,310)	(56,254)	(212,475)	723,759	(25,828)	(107,247)	(107,247)
1995-1996	(246,360)	(204,942)	36,460	642,853	(289,811)	(194,107)	(255,908)	(255,908)
1996-1997	6,786	(121,885)	(151,965)	420,704	279,680	106,707	540,027	540,027
1997-1998	51,114	(961,271)	265,210	113,656	322,240	88,732	(120,319)	(120,319)
1993	20,211,277	8,701,794	7,930,272	5,333,892	1,948,977	1,876,262		
		39.2%	39.2%	39.2%	9.6%	9.3%		
1994	20,549,380	8,604,468	7,732,140	5,399,060	2,007,038	1,899,405		
		37.6%	37.6%	37.6%	9.8%	9.2%		
1995	21,115,091	8,068,019	7,139,436	4,593,882	1,925,618	1,792,157		
		33.8%	33.8%	33.8%	9.1%	8.5%		
1996	20,386,473	7,616,717	6,724,594	4,821,892	1,863,817	1,536,249		
		33.0%	33.0%	33.0%	9.1%	7.5%		
1997	20,407,047	7,501,618	6,457,530	4,975,532	2,297,137	2,076,276		
		36.8%	31.6%	24.4%	11.3%	10.2%		
1998	20,546,096	6,591,461	5,812,584	4,444,241	2,088,086	1,955,957		
		32.1%	28.3%	21.6%	10.2%	9.5%		
100% of poverty								
1993-1994	181,065	193,738	(148,694)	(192,620)	(266,420)	(97,814)	(330,746)	(330,746)
1994-1995	304,197	(844,595)	290,772	107,829	(301,388)	(244,369)	(687,553)	(687,553)
1995-1996	(372,685)	(359,639)	(71,449)	72,380	471,914	(108,253)	(367,731)	(367,731)
1996-1997	10,088	241,525	(147,419)	60,600	163,544	(199,194)	129,144	129,144
1997-1998	74,085	(830,627)	84,408	105,312	(67,590)	(86,481)	(720,894)	(720,894)
1993	20,211,277	11,519,113	10,823,782	10,198,908	9,012,432	8,735,400		
		53.6%	53.6%	53.6%	44.6%	43.2%		
1994	20,549,380	11,893,916	11,049,891	10,232,397	8,779,501	8,404,654		
		53.8%	53.8%	53.8%	42.7%	40.9%		
1995	21,115,091	11,353,518	10,800,265	10,090,600	8,336,317	7,717,101		
		51.1%	51.1%	51.1%	39.5%	36.5%		
1996	20,386,473	10,621,195	9,996,493	9,359,208	8,076,838	7,349,370		
		49.0%	49.0%	49.0%	39.6%	36.1%		
1997	20,407,047	10,872,809	10,100,687	9,524,002	8,405,177	7,478,514		
		53.3%	49.5%	46.7%	41.2%	36.6%		
1998	20,546,096	10,116,267	9,428,553	8,957,180	7,770,764	6,757,620		
		49.2%	45.9%	43.6%	37.8%	32.9%		

factors associated with poverty changes of related children

	population	market income	social insurance	cash welfare	food and housing	taxes	total	
50% of poverty or less								
1993-1994	90,169	(182,494)	(100,807)	264,980	(3,496)	(40,904)	27.448	27,448
1994-1995	146,008	(670,385)	(55,673)	(214,780)	714,623	(25,828)	(106,036)	(106,036)
1995-1996	(163,764)	(306,626)	37,538	651,114	(286,268)	(194,107)	(262,113)	(262,113)
1996-1997	5,847	(121,594)	(153,625)	416,234	279,413	113,269	539,544	539,544
1997-1998	38,722	(955,392)	265,210	111,532	321,483	82,170	(136,274)	(136,274)
1993	20,179,024	8,671,873	7,900,352	5,305,887	1,929,348	1,862,620		
		26.3%	39.2%	26.3%	9.6%	9.2%		
1994	20,521,947	8,579,548	7,707,220	5,377,735	1,997,700	1,890,068		
		26.2%	37.6%	26.2%	9.7%	9.2%		
1995	21,079,126	8,055,170	7,127,168	4,582,903	1,917,492	1,784,032		
		21.7%	33.8%	21.7%	9.1%	8.5%		
1996	20,325,893	7,584,780	6,694,317	4,801,166	1,849,487	1,521,919		
		23.6%	32.9%	23.6%	9.1%	7.5%		
1997	20,350,646	7,469,033	6,424,945	4,948,028	2,275,762	2,061,463		
		36.7%	31.6%	24.3%	11.2%	10.1%		
1998	20,456,151	6,552,363	5,773,485	4,408,100	2,057,318	1,925,188		
		32.0%	28.2%	21.5%	10.1%	9.4%		
100% of poverty								
1993-1994	172,826	206,017	(148,694)	(193,952)	(265,245)	(97,814)	(326,863)	(326,863)
1994-1995	277,096	(803,340)	291,353	107,246	(302,563)	(244,369)	(674,577)	(674,577)
1995-1996	(360,135)	(404,561)	(70,746)	74,172	474,640	(101,465)	(388,094)	(388,094)
1996-1997	11,346	242,898	(148,704)	58,808	173,939	(205,982)	132,306	132,306
1997-1998	56,148	(830,095)	84,408	113,456	(78,328)	(84,978)	(739,389)	(739,389)
1993	20,179,024	11,488,071	10,792,740	10,169,781	8,983,305	8,706,273		
		50.4%	53.5%	50.4%	44.5%	43.1%		
1994	20,521,947	11,866,914	11,022,888	10,205,977	8,754,257	8,379,410		
		49.7%	53.7%	49.7%	42.7%	40.8%		
1995	21,079,126	11,340,669	10,787,997	10,078,332	8,324,049	7,704,833		
		47.8%	51.2%	47.8%	39.5%	36.6%		
1996	20,325,893	10,575,973	9,952,556	9,317,063	8,037,419	7,316,739		
		45.8%	49.0%	45.8%	39.5%	36.0%		
1997	20,350,646	10,830,218	10,058,096	9,481,411	8,375,707	7,449,045		
		53.2%	49.4%	46.6%	41.2%	36.6%		
1998	20,456,151	10,056,271	9,368,557	8,905,328	7,721,296	6,709,656		
		49.2%	45.8%	43.5%	37.7%	32.8%		

	1993	1995	1998
where families from the bottom pre-transfer quintile landed after sorting by post-tax, post transfer family income			
bottom	52.8%	62.6%	72.4%
second	45.0%	37.3%	27.5%
middle	2.2%	0.2%	0.1%
fourth	0.0%	0.0%	0.0%
top	0.0%	0.0%	0.0%
where the second landed			
bottom	32.4%	28.1%	22.0%
second	32.3%	41.9%	52.3%
middle	35.4%	30.0%	25.7%
fourth	0.0%	0.0%	0.0%
top	0.0%	0.0%	0.0%
where the middle landed			
bottom	12.2%	7.2%	3.5%
second	16.3%	17.1%	15.7%
middle	47.6%	53.9%	58.3%
fourth	23.9%	21.8%	22.5%
top	0.0%	0.0%	0.0%
where the fourth landed			
bottom	2.3%	1.7%	1.8%
second	5.9%	3.4%	4.1%
middle	12.5%	13.6%	13.3%
fourth	65.4%	66.0%	69.1%
top	13.9%	15.2%	11.7%
where the top landed			
bottom	0.4%	0.4%	0.2%
second	0.5%	0.3%	0.5%
middle	2.3%	2.4%	2.6%
fourth	10.6%	12.2%	8.5%
top	86.1%	84.7%	88.2%

	1993	1995	1998
where families that ended up in the bottom post-tax, post-transfer quintile started			
bottom	52.8%	62.6%	72.4%
second	32.4%	28.1%	22.0%
middle	12.2%	7.2%	3.5%
fourth	2.3%	1.7%	1.8%
top	0.4%	0.4%	0.2%
where the second started			
bottom	45.0%	37.2%	27.4%
second	32.3%	41.9%	52.3%
middle	16.3%	17.1%	15.7%
fourth	5.8%	3.4%	4.1%
top	0.5%	0.3%	0.5%
where the middle started			
bottom	2.2%	0.2%	0.1%
second	35.4%	30.0%	25.7%
middle	47.6%	53.9%	58.3%
fourth	12.5%	13.6%	13.3%
top	2.3%	2.4%	2.6%
where the fourth started			
bottom	0.0%	0.0%	0.0%
second	0.0%	0.0%	0.0%
middle	23.9%	21.8%	22.5%
fourth	65.4%	66.0%	69.0%
top	10.7%	12.2%	8.5%
where the top started			
bottom	0.0%	0.0%	0.0%
second	0.0%	0.0%	0.0%
middle	0.0%	0.0%	0.0%
fourth	13.9%	15.2%	11.7%
top	86.1%	84.7%	88.3%

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 284

RIN 0970-AB65

Methodology for Determining Whether an Increase in a State's **Child Poverty** Rate Is the Result of the **TANF** Program

AGENCY: Administration for Children and Families, HHS.

ACTION: **Proposed** rule.

SUMMARY: The Administration for Children and Families is proposing a methodology to determine the **child poverty** rate in each State. If a State experiences an increase in its **child poverty** rate of 5 percent or more as a result of its Temporary Assistance for Needy Families (**TANF**) program, the State must submit and implement a corrective action plan. This requirement is a part of the new welfare reform block grant program enacted in 1996.

DATES: You must submit comments by November 23, 1998. We will not consider comments received after this date in developing the final rule.

ADDRESSES: You may mail or hand-deliver comments to the Administration for Children and Families, Office of Planning, Research and Evaluation, 370 L'Enfant Promenade SW, 7th Floor West, Washington, DC 20447. You may also transmit comments electronically via the Internet. To transmit comments electronically, or download an electronic version of the **proposed** rule, you should access the ACF Welfare Reform Home Page at http://www.acf.dhhs.gov/news/welfare and follow the instructions provided.

We will make all comments available for public inspection at the Office of Planning, Research and Evaluation, 7th Floor West, 901 D Street, SW, Washington, DC 20024, from Monday through Friday between the hours of 9 a.m. and 4 p.m. (This is the street address as opposed to the mailing address above.)

We will only accept written comments. In addition, all your comments should:

<bullet> Be specific;
<bullet> Address only issues raised by the **proposed** rule;
<bullet> Where appropriate, propose alternatives;
<bullet> Explain reasons for any objections or recommended changes; and
<bullet> Reference the specific section of the **proposed** rule that you are addressing.

We will not acknowledge individual comments. However, we will review and consider all comments that are germane and received during the comment period.

FOR FURTHER INFORMATION, CONTACT: Dennis Poe at 202-401-4053.

Deaf and hearing-impaired individuals may call the Federal Dual Party Relay Service at 1-800-877-8339 between 8 a.m. and 7 p.m. Eastern time.

SUPPLEMENTARY INFORMATION:

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I. The Personal Responsibility and Work Opportunity Reconciliation Act

On August 22, 1996, President Clinton signed ``The Personal Responsibility and Work Opportunity Reconciliation Act of 1996''--or PRWORA--into law. The first title of this new law, ``Block Grants for Temporary Assistance for Needy Families,'' (section 103, Pub. L. 104-193) established a comprehensive welfare reform program designed to change dramatically the nation's welfare system. The new program is called Temporary Assistance for Needy Families, or **TANF**, in recognition of its focus on time-limiting assistance and moving recipients into work.

PRWORA repealed the existing welfare program known as Aid to Families with Dependent Children (AFDC), which provided cash assistance to needy families on an entitlement basis. It also repealed the related programs known as the Job Opportunities and Basic Skills Training (JOBS) program and Emergency Assistance (EA).

The new **TANF** program went into effect on July 1, 1997, except in States that elected to submit a complete plan and implement the program at an earlier date.

This landmark welfare reform legislation dramatically affects not only needy families, but also intergovernmental relationships. It challenges Federal, State, Tribal and local governments to foster positive changes in the culture of the welfare system and to take more responsibility for program results and outcomes.

This new legislation also gives States and Tribes the authority to use Federal welfare funds ``in any manner that is reasonably calculated to accomplish the purpose'' of the new program. It provides them broad flexibility to set eligibility rules and decide what benefits are most appropriate, and it offers States and Tribes an opportunity to try new, far-reaching ideas so they can respond more effectively to the needs of families within their own unique environments.

II. The **Child Poverty** Rate Provision

A. Legislative History

One of the concerns of Congress in passing PRWORA was potential harm to children that might result from the loss of Federal entitlement to benefits or the unsuccessful efforts of their caretakers to achieve self-sufficiency within the five-year time limit for receipt of federally-funded **TANF** assistance.

To address this concern, Congress amended the Social Security Act to add section 413(i) (42 USC 613(i)). This section requires each State to submit an annual statement of the **child poverty** rate in the State and a corrective action plan if the rate exceeds a certain threshold as a result of the State's **TANF** program.

Section 413(i)(5) directs the Secretary to issue regulations establishing a methodology for States to determine the **child poverty** rate and sets out a non-exclusive list of factors the methodology must take into account.

The Balanced Budget Act of 1997 amended section 413(i) to delay the due date for the initial report on a State's **child poverty** rate from 90 days after enactment to May 31, 1998. It also modified the factors to be used in the methodology by making the county-by-county estimates of children in **poverty**, as determined by the Census Bureau, subject to the availability of the data.

(Note: ACF issued a Program Instruction on May 29, 1998, clarifying that we, not the State, will send each State the Census Bureau estimate of the number of children in **poverty** and that the State need not submit a statement of its **child poverty** rate to us by May 31, 1998, as specified in the statute. We further explained that we would be publishing an NPRM to propose a methodology for determining whether an increase in the State's **child poverty** rate is the result of the **TANF** program in the near future. See **TANF**-ACF-PI-98-4.)

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B. Summary of the Statutory Provisions

Section 413(i)(1) of the Social Security Act (the Act) requires the chief executive officer of each State to submit annually to the Secretary a statement of the **child poverty** rate in the State. The first statement, due May 31, 1998, must report on the **child poverty** rate at the time of enactment of PRWORA, or August 22, 1996.

Section 413(i)(2) specifies that, in subsequent years, if the **child poverty** rate in a State increases by 5 percent or more from the previous year as a result of the State's **TANF** program, the State shall prepare and submit a corrective action plan to the Secretary.

Section 413(i)(3) provides that the corrective action plan shall outline the manner in which the State will reduce the **child poverty** rate in the State and include a description of the actions to be taken by the State under the plan.

Section 413(i)(4) specifies that the State shall implement the corrective action plan until the State determines that the **child poverty** rate in the State is less than the lowest **child poverty** rate on the basis of which the State was required to submit the corrective action plan.

Section 413(i)(5) requires the Secretary to establish the methodology by which a State would determine the **child poverty** rate and specifies three factors that the Department must take into account in developing the methodology: the number of children who receive free or reduced-price lunches; the number of Food Stamp households; and, to the extent available, the county-by-county estimates of children in **poverty** as determined by the Census Bureau.

III. Regulatory Framework

A. External Consultation

In the spirit of both regulatory reform and PRWORA, we implemented a broad and far-reaching consultation strategy prior to publication of the NPRM for the **TANF** program. This **proposed** rule was published November 20, 1997 (62 FR 62124). We continued our commitment to external consultation in developing this NPRM.

We held two types of external consultations. First, we raised issues related to this provision in the general **TANF** consultation meetings with representatives of State and local government; non-profit, advocacy, and community organizations; foundations; and others. Second, we held consultations focused specifically on this provision with State groups and technical, statistical, and policy experts. We also spoke with representatives from the Federal statistical community, including the U.S. Bureau of the Census; the Office of Management and Budget; the U.S. Department of Agriculture for the Food Stamp program; and numerous representatives from advocacy, public interest, and research organizations that focus on **child** economic well-being.

The purpose of these discussions was to gain a variety of informational perspectives about the potential benefits and pitfalls of alternative regulatory approaches. We solicited comments, and we worked to ensure that concerns raised during this process were shared with both the staff working on individual regulatory issues and key policy makers.

These consultations were very useful in helping us identify key issues and evaluate policy options. However, we would like to emphasize that we are issuing these regulations as a **proposed** rule. Thus, all interested parties have the opportunity to voice their concerns and to react to specific policy proposals. We will review comments we receive during the comment period and will take them into consideration before issuing a final rule.

B. Related Regulations under Development

We published the NPRM to address the work, accountability, and data collection and reporting provisions of the new State **TANF** program in the Federal Register on November 20, 1997 (62 FR 62124).

On March 2, 1998, we published in the Federal Register (63 FR 10264) the NPRM to address the provision in PRWORA entitled Bonus to Reward Decrease in Illegitimacy which would reward decreases in out-of-wedlock childbearing.

On July 22, 1998, we published an NPRM on the Tribal Work and **TANF** Programs (63 FR 39366). Over the next several months, we expect to issue an NPRM on high performance bonus awards and an interim final rule on Welfare To Work data collection.

C. Regulatory Reform

In its latest Document Drafting Handbook the Office of the Federal Register supports the efforts of the National Performance Review and encourages Federal agencies to produce more reader-friendly regulations. In drafting this **proposed** rule, we have paid close attention to this guidance. Individuals who are familiar with prior welfare regulations should notice that this package incorporates a distinctly different, more readable style.

IV. Discussion of the NPRM

A. Issues in the Development of the NPRM

The percentage of children in **poverty** in the United States is a frequently used indicator of **child** well-being and many, both within Congress and without, are concerned about the impact of the **TANF** program on children. The **child poverty** rate in the United States is among the highest in the developed world.

The best source of data on **child poverty** is the Census Bureau. Historically, the Census Bureau has been tracking family and individual **poverty** rates in the United States for approximately three decades. In 1963-64, Mollie Orshansky of the Social Security Administration developed a set of **poverty** thresholds for families of different sizes based on the economy food plan (a minimum-cost diet developed by the Department of Agriculture.) Orshansky's thresholds were adopted as a quasi-official Federal definition of **poverty** in 1965 and as the Federal Government's official statistical definition of **poverty** in 1969. (Since 1969, the thresholds have been updated for price changes, using the Consumer Price Index.)

The most reliable source of data for calculating State level **child poverty** is the Decennial Census. The Bureau of the Census produces an annual series of national and State **poverty** rates during the intercensus years based upon data from the March Current Population Survey. Unfortunately, the small sample sizes for individual States result in significant uncertainty in these estimates, making them unsatisfactory for State reporting of **child poverty**.

The Census Bureau has a program to develop more reliable intercensus estimates of **child poverty** at the State and local level. This effort was given further impetus with the passage of the Improving America's Schools Act of 1994, which required the Department of Education to work with the National Academy of Sciences and the Bureau of the Census to develop State and local estimates of children in **poverty**, ages 5 through 17. With funding from DHHS, this work has been expanded to include estimates for children in **poverty**, ages 0 through 4.

Based on our analysis of the statute and information on Census Bureau data, Food Stamp data, and school lunch data, we identified several general, data, and methodological issues. These issues are discussed in greater detail below. Our consultations with external groups were particularly helpful in clarifying

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data issues and evaluating alternative approaches and options.

The general issues we identified included:

<bullet> How should we use the three factors identified in the law in developing State **child poverty** rates?

<bullet> What additional factors, if any, should we use?

<bullet> How should these factors be weighted?

<bullet> What flexibility and options should a State have in determining the **child poverty** rate for its State?

Some of the data and methodological issues included:

<bullet> How should we account for limitations in Census Bureau data, e.g., until recently, measuring only children ages 5-17 and excluding certain sources of income such as taxes and in-kind transfers?

<bullet> What factors should we propose in order to identify the effect of the **TANF** program on any increases in **child poverty**?

<bullet> Other than Census Bureau data, what are the alternative sources of data related to **child poverty** and how might they be used?

<bullet> Given that some of the potential data sources have confidence intervals around their estimates, what confidence interval would be appropriate for each State's **child poverty** rate?

We discuss specific issues as follows

1. Measurement of **Child Poverty** and the Census Bureau Data

The Census Bureau develops estimates of **child poverty**, by State, based on the Current Population Survey (CPS) and a sampling size of approximately 55,000 households. The Bureau considers these State estimates to be moderately reliable and releases three-year averages for States, along with standard error rates, to reduce the chances that these estimates will be misinterpreted. The most recent data available on State **child poverty** estimates are for calendar year 1996.

In response to demand for sub-state data, the Census Bureau recently launched a program called Small Area Income and **Poverty** Estimates. It is a new program that will provide estimates of income and **poverty** for States and counties between decennial censuses. In January, 1998, the Bureau made available county income and **poverty** estimates for 1993. It plans to provide estimates for years 1995 through 1998, and periodically thereafter. From a program perspective, county-level data will be available only every other year, and the available data will be at least two years old.

Many external consultants expressed concern about the limitations in the Census Bureau **child poverty** data and its reliance on the official definition of **poverty**, particularly the exclusion of important types of income and the failure to deduct certain types of expenses when determining family income. For example, in-kind assistance such as housing assistance and Food Stamp benefits are not counted as income even though such assistance is clearly available to meet basic needs. Similarly, expenses such as work expenses and **child** support paid are not available to meet such needs.

Initially, some external groups were also concerned about the lack of Census Bureau **poverty** data on children 0 through 4 years, as **child poverty** is more acute for children in this age group. Since DHHS is funding the Census Bureau estimates for children in **poverty** for this age group, this information will be incorporated into the **child poverty** estimates we get from the Census Bureau.

We considered these concerns carefully in our development of this NPRM. We believe that Congress, by including in the statute two non-exclusive factors beyond the Census Bureau **poverty** measure, intended that we develop a methodology that will take into account and adjust for some of the limitations in the Census Bureau data.

However, we approached the drafting of this regulation with a desire not to deviate too far from the official Census measure. The official measure is the most widely-used measure of **poverty**, and significant deviations from this measure could limit the credibility and acceptance of estimates of **child poverty** rates developed for this provision. As data collection capabilities improve, we believe it may be possible to amend our **proposed** methodology to take advantage of such improvements. We welcome public comments on these issues.

Also related to the Census Bureau measure of **child poverty** was the recommendation by some external groups that our methodology focus on more extreme **poverty**. That is, in addition to, or instead of, considering the percent of children in families with incomes at or below 100 percent of **poverty**, we should consider the percent of children in families with incomes at or below a lower threshold, such as 50 percent of **poverty**. Additional research and model development by the Census Bureau would be necessary, however, before we would be able to consider such an approach. The current Census Bureau model for estimating State level **child poverty** exploits the strengths of additional databases, such as IRS tax data and Food Stamp data, to supplement the Current Population data. The value of these additional data for estimating extreme **poverty** is unknown, but experts believe that it would be less than the current model of 100 percent of the **poverty** level. We welcome public comment about the desirability and feasibility of pursuing this alternative. More information on the Census methodology is available on the Internet at the Census Bureau's **poverty** page.

2. Use of County-by-County Estimates of Children in **Poverty** in the Methodology

The legislation requires us to use, to the extent available, county-by-county estimates of children in **poverty** as determined by the Census Bureau. However, section 413(i) requires States to report on

child poverty at the State level, and State-level estimates are more relevant to the purpose of this provision. Furthermore, county-by-county estimates are only available biennially.

Most external consultants recommended that we use the State estimates of children in **poverty** as determined by the Census Bureau, rather than the specific county-by-county estimates. The State estimates represent the first step in calculating the county by county estimates and reflect the same data and factors as the county-by-county estimates; the data are also compatible because the Census Bureau reconciles its county-by-county and State estimates so that the total is the same for each State; i.e., the county-by-county estimates are adjusted so that the total for all the counties in a State is the same as in the State estimates calculated in the first step. We believe this approach is consistent with Congressional expectations and represents the most prudent use of the Census Bureau county-by-county estimating procedure.

3. Use of Food Stamp Data in the Methodology

The legislation requires us to take into account the number of Food Stamp households. Nationally, trends in Food Stamp caseloads generally track closely with trends in **poverty**. Further, Food Stamp data are available on a more timely basis than estimates based on the Census methodology.

However, nearly 40 percent of Food Stamp households contain no children.

After considering the focus of the law in relation to **child poverty** and reflecting on the discussion with external consultants, we concluded that we should propose the use of data on

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Food Stamp households with children rather than the total number of Food Stamp households.

4. Use of Free and Reduced-Price School Lunch Data in the Methodology

The third factor specified in the Act is ``the number of children receiving free or reduced-price lunches.'' Over the past several years both the proportion of lunches served free or at a reduced price and the proportion of student enrollment approved for free or reduced-price meals have risen steadily. During the same time period, **poverty** rates have fallen. There are several likely reasons that free and reduced-price school lunch trends have not tracked **poverty** rates. Free and reduced-price lunch benefits are available to children in families with incomes up to 185 percent of the **poverty** level. Income trends in this eligible population will not necessarily mirror trends in the **poverty** population. In addition, changes in policy and procedures in the school lunch program during the past several years have likely influenced the rates at which children are certified for and/or participate in the program.

Given the lack of correspondence between school lunch data and **poverty** trends in recent years, these data received the least weight in our methodology. We have not required that States submit it, but we propose that States may provide it, at their option.

We are proposing that, if a State chooses to provide school lunch data, it must report the proportion of students certified for free and reduced-price meals. The Department of Agriculture indicates that changes in certification data primarily reflect changes in eligibility rates and in the propensity to apply for the program. Meal counts also reflect these two factors but are further affected by changes in the propensity to actually obtain a school meal on a given day such as school attendance rates or the number of serving days in a school year. Therefore, we believe that data on the proportion of students certified for free or reduced-price school lunches represent more useful data than the number of meals served.

5. Relative Importance of Various Factors in the Methodology

We did not give equal consideration to the three statutory factors. Rather, we give the greatest consideration to the Census Bureau methodology because it provides the most objective estimates of **child poverty** rates by States. However, given the limitations in the Census Bureau data, we propose that States provide supplemental information, in certain circumstances, that may adjust for these limitations, i.e., if the estimate of the State's **child poverty** rate increased five percent or more over the two year period.

6. Clarification of the Term ``Five Percent Increase''

The statute speaks to an increase in the **child poverty** rate of 5 percent. We want to clarify that a 5 percent increase does not mean a 5 percentage point increase in **poverty**. Rather, it means that the most recent **child poverty** rate is at least 5 percent higher than (i.e., 1.05 times) the previous year's rate. For example, an increase of 5 percent would mean an increase in the **poverty** rate of 20 percent to 21 percent.

We are taking this interpretation because it is the clearest reading of the statute and the one interpretation that will give the statute meaning; that is, it would be very unlikely that we would ever see an increase of 5 percentage points in a State's **child poverty** rate from one year to the next. In addition, we believe Congress would want to know about and have States take corrective action long before that occurred.

B. Summary of the Provisions of the **Proposed** Rule

Section 413(i) of the Act requires the Secretary to establish a methodology by which each State would determine the **child poverty** rate in the State. It specifies three factors that we must take into account in developing the methodology: The number of Food Stamp households; the number of children who receive free or reduced-price lunches; and, to the extent available, county-by-county estimates of children in **poverty** as determined by the Census Bureau.

Section 413(i) also specifies a deadline which requires the chief executive officer of each State to submit to DHHS by May 31, 1998, and annually thereafter, a statement of the State's **child poverty** rate. As noted earlier, we issued a Program Instruction to States explaining that we would provide to each State the Census Bureau's estimate of **child poverty** in each State as a first step in a **proposed** methodology and that no action by the State was required in relation to this deadline. (See **TANF**-ACF-PI-98-4.)

We are proposing a sequential methodology to implement the statute. There are five major steps in the **proposed** methodology. Not all States or Territories will need to participate in all steps. The methodology for the Territories is similar but includes some necessary modifications.

Step 1

<bullet> Annually, when we receive the data from the Census Bureau, we will provide each State with an estimate of the number and percentage of children living at or below 100 percent of the Federal **poverty** threshold within the State. This estimate will be for the calendar year that is two years prior to the current calendar year, e.g., in 1998, we will provide an estimate for calendar year 1996. The estimates we provide will be the Census Bureau estimates incorporating county level estimates of **poverty**.

<bullet> In 1999, and annually thereafter, we will determine for each State, at the 80 percent confidence level, the change in the percent of children in **poverty** for the most recent two year period for which the data are available, e.g., in 1999, we will provide data comparing calendar years 1996 and 1997; and provide this information to the State.

Step 2

<bullet> If the **child poverty** rate in a State did not increase by five percent or more, we will conclude that the State has met the requirements of section 413(i) of the Act, and the State will not be required to submit supplemental information.

<bullet> If the **child poverty** rate in a State increased by 5

percent or more, we propose to require that the State provide supplemental information to adjust, explain, or account for this increase. We propose that the State, within 60 days--

1--Must provide data on the average monthly number of households with children that receive Food Stamp benefits for each of the two most recent calendar years for which data are available. (We expect that the data submitted in 1999 will cover calendar years 1997 and 1998.);

2--Must provide data on any changes in legislation, policy, or program procedures that have had a substantial impact on the number of households with children receiving Food Stamp benefits during the same two year period, including data on sub-populations affected; and

3--May provide, at State option, other information such as the proportion of students certified for free or reduced-price school lunches or estimates of **child poverty** derived from an independent source. These data may cover any pertinent time period, e.g., the two-year period for which the **child poverty** rate was determined or the most recent two year period for which data are available. An independent source may include studies by research or advocacy organizations, universities, or independent evaluation and analysis

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offices associated with State executive branch agencies or State legislatures.

<bullet> If the Food Stamp data are based on population counts, States may simply report the average monthly number for each of the two calendar years and the simple difference between them. If the Food Stamp data are based on monthly samples, States must include the calculated standard errors of each annual estimate.

Note: Alternatively, if a State chooses to accept the increase in **child poverty** as indicated by the Census data, it may skip steps two and three and move directly to step four--the assessment of the impact of the State's **TANF** program on **child poverty**.

Step 3

<bullet> We will review the Food Stamp and other data provided by the State, including data on substantive legislative, policy, and program changes affecting the number of households with children receiving Food Stamp benefits. If we determine that these data indicate a subsequent improvement, commensurate with the **poverty** increase in the Census data, it would not be necessary for the State to proceed to Step 4 because the more recent data indicate **child poverty** is already improving.

Step 4

<bullet> If we determine that the Food Stamp and other data provided by the State do not indicate a subsequent commensurate decrease in **child poverty** as addressed in Step 3, we propose to notify the State that it must, within 60 days, provide an assessment (and the information and evidence on which the assessment was based) of the impact of the State's **TANF** program on the **child poverty** rate. In this instance, we propose to give the States and Territories broad latitude in the information they provide.

Step 5

<bullet> We will review the information provided by the State, along with other data available such as the State's **TANF** plan and eligibility criteria, other supportive services and assistance programs, and the State's economic circumstances. If we determine that the increase in the **child poverty** rate is the result of the State's **TANF** program, we will notify the State that it is required to submit a corrective action plan within 90 days.

<bullet> To the extent that data are available and the procedures applicable, the Territories are subject to the same methodology as described for the States. One modification, however, is necessary. Since the Census Bureau does not estimate a **child poverty** rate for the

Territories, ACF will compute an estimate of the percentage of children in **poverty** and the estimated **child poverty** rate for the Territory, based on information submitted by the Territory. Subsequent procedural steps are the same as for States, i.e., as applicable, we will review supplemental data to determine whether the **child poverty** rate increased by 5 percent or more; review the Territory's assessment of whether the increase in the **child poverty** rate was a result of the **TANF** program; and require the development of a corrective action plan, as necessary.

Note: We call to the Territories' attention that this NPRM proposes to require the retention and availability of 1996 calendar year data on households with children that received Food Stamp benefits.

We believe this approach will begin with and use the most reliable, objective data on **child poverty** available for all States and Territories; help assure that the **child poverty** rate for each jurisdiction accurately reflects its economic and other circumstances; and require that States and Territories provide only those data necessary, readily available, and most appropriately provided by them. States have more timely access to Food Stamp and other data to supplement the Census Bureau estimates, and both States and Territories are in a better position to explain any relationship to the **TANF** program. We anticipate, however, that only a small number of States and Territories will need to provide these data and an even smaller number will be required to submit a corrective action plan.

C. Section-By-Section Discussion

What Does This Part Cover? (Sec. 284.10)

This section of the **proposed** rule provides a summary of 45 CFR part 284. Part 284 proposes a methodology for determining State **child poverty** rates, including a determination of whether the **child poverty** rate increased as a result of the **TANF** program. It also covers the content and duration of the corrective action plan.

In Sec. 284.10(b), we indicate that any Territory that has never operated a **TANF** program would not be subject to these rules. We included this provision to address American Samoa's situation. American Samoa did not operate an AFDC program, and it has not yet elected to operate a **TANF** program. Unless its status changes, we would exempt American Samoa from the requirements of this part.

What Definitions Apply to This Part? (Sec. 284.11)

This section proposes definitions of the terms used in part 284. It includes key technical terms used in the methodology for clarity.

The statute requires States to submit a ``statement of the **child poverty** rate'' using various factors, including ``county-by-county estimates of children in **poverty** as determined by the Census Bureau.'' These two references to the term ``**poverty**'' need further clarification. We refer to estimates provided by the Census Bureau of the percentage of children in a State in families with incomes below 100% of the **poverty** threshold as ``children in **poverty**.'' The term ``Census methodology'' means the methods developed by the Census Bureau for estimating the number and percentage of children in **poverty** in each State.

We use the term ``**child poverty** rate'' when referring to the sequential methodology **proposed** in this part for determining whether a State will be required to submit a corrective action plan.

We propose to define ``date of enactment'' to mean calendar year 1996. Although the statute requires the State to provide to DHHS a statement of the **child poverty** rate in the State as of the date of enactment of PRWORA (August 22 1996), these data are available only on a calendar year basis. We believe that using the available calendar year data is the most feasible way to determine **child poverty** rates and consider the impact of the **TANF** program on these rates.

Although section 419(5) of the Act, as amended, defines ``State'' as the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam and American Samoa, we have **proposed**, for this part, to define ``Territory'' in a separate definition to mean the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

We have done this for clarity as some data limitations and some procedural steps in the **proposed** methodology do not apply to the Territories. We have outlined the steps for determining the **child poverty** rate for States in Secs. 284.20 through 284.30 and specified how the process differs for Territories in Sec. 284.35.

You will note that we use the term ``we'' throughout the regulation and preamble. We have defined ``We (and any other first person plural pronouns)'' to mean the Secretary of the Department of Health and Human Services or any of the following individuals or organizations acting in an official capacity on the Secretary's behalf: the Assistant Secretary for Children and Families, the Regional Administrators for Children and Families, the Department of Health and Human

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Services, and the Administration for Children and Families.

Who Must Submit Information to ACF to Carry out the Requirements of this Part? (Sec. 285.15)

Section 413(i)(1) of the Act specifies that the chief executive officer of the State (or Territory) shall submit to the Secretary the annual statement of the State's (Territory's) **child poverty** rate. Other subsections require action by the ``State.''

Given the widespread concern for the needs and circumstances of children, we believe it is appropriate that the chief executive officer of a State (Territory) carry out these responsibilities. We have **proposed** in Sec. 284.15 that the chief executive officer, or his or her designee, submit the information required by this part. For editorial simplicity, however, we have used the term ``State'' or ``Territory'' throughout part 284 rather than the more cumbersome term ``chief executive officer of the State.''

What information will we provide to each State to estimate the number of children in **poverty**? (Sec. 284.20)

Annually, we propose to provide each State with an estimate of the number and percentage of children in **poverty** within the State. The estimates we provide will be those determined by the Census Bureau and will incorporate calculations by the Census Bureau using the methodology it has developed for small-area (e.g., county-level) estimates of **poverty**.

The first annual estimate will be an estimate of the number and percentage of children in **poverty** for calendar year 1996. Subsequent year estimates will also be for the calendar year two years preceding, e.g., the second annual estimate will be for calendar year 1997. The two-year time differential reflects the amount of time it takes for the Census Bureau to collect and analyze the data sources used in its model.

Although the law states that ``the chief executive officer of each State shall submit to the Secretary a statement of the **child poverty** rate in the State* * *,'' we are proposing to provide this information to the States in order to reduce burden on States and others. Because the Census Bureau data are collected at the Federal level, we are in a position to obtain and distribute these data more efficiently to States. (It did not seem reasonable to require each State to contact the Census Bureau for **child poverty** information and forward it back to us.)

We have not referenced or incorporated the May 31st date specified in the statute in this NPRM. We will, however, send to the States the annual **child poverty** estimates as soon as they are available from the

Census Bureau.

In Sec. 284.20(b), we propose that annually we will determine for each State, at the 80 percent confidence level, the change in the percentage of children in **poverty** for the applicable two year period and provide each State with its percentage of change. (The 1999 percentage change will cover the change between calendar years 1996 and 1997.)

We are proposing the use of the 80 percent confidence level because, while the Census methodology will provide us a point estimate of the **poverty** rate, there is a high probability that the actual **poverty** rate will not be exactly the same as the point estimate. Rather, the actual **poverty** rate likely will lie somewhere near the estimate. Statistical procedures will allow us to determine the range around which the actual estimate lies, with varying degrees of confidence.

This range is important because year-to-year changes in State-level **child poverty** rates may simply reflect points within the confidence interval. The estimate may indicate that the **child poverty** rate has changed when in fact it has not.

We will require a particular level of statistical certainty in determining a State's **poverty** rate in order to avoid erroneously concluding that a State's **poverty** rate has increased by 5 percent or more.

We propose to require States to submit additional data only when we conclude, with 80 percent confidence, that the rate has increased by 5 percent or more. While an 80 percent confidence level is not considered to be a high level of confidence in a scientific context of hypothesis testing, a four-fifths likelihood is certainly high enough in a practical context to justify concern that the **child poverty** rate may have in fact increased sufficiently to warrant attention.

More importantly, we believe the 80 percent confidence level offers greater protection to children. We have **proposed** the 80 percent confidence level (instead of the commonly used 95 percent confidence level) in order to ascertain more sensitively any percentage change in the **child poverty** rate. The choice of a particular confidence level affects the quality of statistical information.

For example, the risk of choosing a narrower confidence band is that it may provide a false indication of change in the **poverty** rate when no significant change has occurred. However, the consequences of choosing a higher percent confidence level are far more serious, in a programmatic sense, as they may lead us to conclude that the **child poverty** rate has not changed significantly when, in fact, it has.

In determining the 80 percent confidence interval, we will use a one-tailed (rather than two-tailed) statistical test because we want to ensure that we have determined the point estimate of any increase in the **child poverty** rate with 80 percent certainty. We would use a two-tailed statistical test only if we wanted to determine the point estimates of both increases and decreases in the **child poverty** rate with 80 percent probability. Therefore, the one-tailed test is the appropriate test to use to ensure that the real increase is at least 5 percent. (A test is one-tailed when the alternative hypothesis states a direction such as the mean (average) increase in the **child poverty** rate for a given year is GREATER THAN zero.)

The Census Bureau may update the assumptions and features of its methodology occasionally. Further, estimates may need to be refined after initial publication. Should the Census Bureau alter its methodology or subsequently update previously published estimates, we will base the estimates of change in **poverty** on the most updated methods and estimates. If, for example, the Census Bureau changes a model assumption from one reporting period to the next, we will re-estimate the number of children in **poverty** for that year. This re-estimate will be solely for the purpose of calculating the change; it will help ensure that any estimated changes do not result from changes in the methodology.

What Information Must the State Provide if the Estimate of a State's **Child Poverty** Rate Has Increased Five Percent or More Over the Two Year Period? (Sec. 284.25)

If we have determined, with 80 percent confidence, that the **child poverty** rate in a State did increase by 5 percent or more, we propose in paragraph (b) to require that the State must submit data within 60 days on Food Stamp participation. The State may also submit other information.

We propose, in paragraph (c), to require that the State provide data on the average monthly number of households with children receiving Food Stamp benefits for each of the two most recent calendar years for which data are available. For example, we expect that the Food Stamp data submitted in 1999 will cover calendar years 1997 and 1998.

We also propose that the State, at its option, may submit other information in

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relation to the **child poverty** rate for the same most recent two year period. This information could include changes in the proportion of students certified for free or reduced-price school lunches or estimates of **child poverty** derived from an independent source. As noted earlier, studies of **child poverty** are being conducted by a variety of entities including, research and advocacy organizations, universities, and evaluation and analysis offices associated with State executive branch agencies or State legislatures.

We propose, in paragraphs (c)(1) and (c)(2) that States submitting the average monthly number of Food Stamp households with children under age 18 may elect to calculate such number based upon either:

<bullet> Population counts (e.g., from its administrative data system); or

<bullet> Monthly samples of Food Stamp recipient households based on generally accepted scientific sampling methods, i.e., each recipient household has a known, non-zero probability of being drawn into the sample.

A State submitting the average monthly number of Food Stamp recipient households with children under 18 based upon population data for each month would then calculate the simple difference between yearly averages.

If a State chooses to use monthly samples of its Food Stamp recipient caseload for each of the twelve months to develop an estimate of the average monthly number of Food Stamp households with children under 18, such State would be required to submit:

<bullet> The estimated average monthly number of households; and

<bullet> Estimated sampling errors (standard errors).

We expect that a State using the sampling method will have its sampling plan available for review and submission as needed. A State using its Food Stamp Quality Control sampling plan will not be asked to submit its plan.

In paragraph (c)(3), we propose that the State must submit information on any changes in legislation, policy, or program procedures that have had, during the same period for which Food Stamp data are provided, a substantial impact on the number of households with children receiving Food Stamp benefits. Specifically, the State must submit data relative to determining how such changes affected the Food Stamp population as a whole or any sub-population.

We will review the Food Stamp information provided by the State under paragraph (c). The purpose of our review will be to determine whether the average monthly number of households with children receiving Food Stamps indicates a subsequent improvement commensurate with the **poverty** increase in the Census data, taking into account any additional information provided by the State.

If we determine that the number of households with children receiving Food Stamp benefits did not indicate an improvement commensurate with the **poverty** increase in the Census data, we will review any additional data the State has provided. Unless we determine that this additional data provides sufficient documentation that either **child poverty** did not go up in the State or that there was a subsequent improvement, commensurate with the **poverty** increase in the Census data, we will notify the State that information on the impact of **TANF** on the **child poverty** rate must be submitted.

How Will We Determine the Impact of **TANF** on the Increase in the State **Child Poverty** Rate? (Sec. 284.30)

Section 413(i) of the Act requires States to submit corrective action plans only if the State's **child poverty** rate has increased by 5 percent or more as a result of **TANF**.

In Sec. 284.30, we propose that those States identified, based on the determination made in Sec. 284.25, must make an assessment of the impact of the **TANF** program on its **child poverty** rate. The State's assessment, and the information on which the assessment was based, must be provided to us within 60 days.

The State's assessment of the impact of the **TANF** program will be based on the same two-year time period used to determine State's **child poverty** rate. For example, the **poverty** rate for 1996-1997 will be compared to the **TANF** (or prior program) in effect for the same years.

Paragraph (a) of this section includes examples of information or evidence that a State may submit as a part of its assessment. States may identify and provide other pertinent information as well.

In assessing the impact of the **TANF** program, the State, for example, might review its **TANF** program and policies, the percentage of eligible persons receiving **TANF**, the **TANF** application disapproval rates, and numbers of cases sanctioned or closed; and the economic and other circumstances in the State, e.g., factory and base closings, rise in unemployment rates; and participation rates of other assistance programs. A State should review the evidence to form a broad picture of contributing circumstances and not consider factors in isolation. An increase in State unemployment, for example, cannot by itself be put forward to account for the increase in the **child poverty** rate if restrictive **TANF** eligibility policies are also in place.

During the consultation process, some experts expressed doubt that a single methodology could be used by all States to statistically attribute changes in **child poverty** rates. Many factors contribute to such changes in ways that may vary from State to State and from year to year.

It is the Department's responsibility to determine whether a State or Territory's **child poverty** rate has increased as a result of the **TANF** program in the State or Territory, and this is a responsibility we take seriously. We will thoroughly examine the assessment provided by the State as well as a range of other available information. At the same time, however, we propose to give States flexibility in reviewing their programs, policies, and economic and other circumstances; assessing the effect of the **TANF** program on **child poverty** rates; and providing evidence of alternative factors they believe may have contributed to the increase.

We expect that a State or Territory will also take this responsibility seriously and will provide an assessment in sufficient detail to enable us to make our determination. However, if a State submits only a conclusory statement--with no information, evidence, or assessment--we will conclude that a corrective action plan is required.

Paragraph (b) of this section proposes that we will review the information provided by the State, in addition to other available information (such as the State's **TANF** plan and eligibility criteria, other supportive service or assistance plans, and a State's economic circumstances); make a determination; and notify the State if a corrective action plan is required.

How Will the Methodology for the Territories Differ? (Sec. 284.35)

Not all of the steps **proposed** for States in the previous sections are applicable to Territories. For example, ``estimates of children in

poverty as determined by the Census Bureau'' are calculated only for the 50 States and the District of Columbia, but not for the Territories. Further, the Food Stamp Program does not operate in the Commonwealth of Puerto Rico and American Samoa.

Therefore, we are proposing a modified but similar process for the Territories. In Sec. 284.35, we propose that, in the absence of Census Bureau

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estimates, ACF will compute the estimated percentage of children in **poverty** for each Territory. We will base our computations on the information submitted by the Territory as specified in paragraph (b) or (c) of this section. This information must include Food Stamp data, if available. If the Territory does not have a Food Stamp program, it must provide other information such as the proportion of students certified for free or reduced-price school lunches or other estimates of **child poverty** derived from independent sources.

For example, in 1998, we will compute the estimated percentage of children in **poverty** for each Territory for calendar year 1996. In 1999, we will compute the estimated percentage of children in **poverty** for calendar year 1997. We will also determine, at the 80 percent confidence level (if the data are sample data), the percentage change between calendar years 1996 and 1997. We will perform these computations annually for the applicable two year period, based on the annual information submitted by the Territory.

If the **child poverty** rate in the Territory did not increase between one year and the next, we will conclude that the Territory has met the requirements of section 413(i) and notify it that no further information from or action by the Territory is required for that two year period.

If the estimate of the **child poverty** rate increased by 5 percent or more from one year to the next, we propose in paragraph (g) to require that the Territory submit data for calendar year 1998. This data would be the Food Stamp data, if available, as specified in paragraph (b) or other data as specified in paragraph (c).

This **proposed** action parallels the **proposed** action required from States in Sec. 284.25(c). We believe that these more recent data will help illustrate, for both States and Territories, any positive trends and show the current effect of a State or Territory's program and policies.

Based on the data submitted in paragraph (g), we will determine whether the **child poverty** rate has increased 5 percent or more. If it has, we will notify the Territory that it must submit an assessment (and the information and evidence on which the assessment was based) of whether the **child poverty** rate increased as a result of the Territory's **TANF** program. We reference the examples of information and evidence described in Sec. 284.30(a).

We will review the assessment submitted by the Territory, along with other available information; make a determination whether the increase in the **child poverty** rate is a result of the Territory's **TANF** program; and notify the Territory whether it is or is not required to submit a corrective action plan as specified in Secs. 284.40 and 284.45.

When is a Corrective Action Plan Required? (Sec. 284.40)

This section proposes that only those States and Territories for which we have concluded that the **child poverty** rate has increased by 5 percent or more as a result of **TANF** are required to submit corrective action plans. The State and the Territory must submit the plan within 90 days of the date we notify it of our determination under Secs. 284.30 or 284.35.

What is the Content and Duration of the Corrective Action Plan? (Sec. 284.45)

The Act does not provide express authority for us to prescribe regulations regarding the content and duration of corrective action plans. Therefore, this section restates the statutory provisions.

However, we want to provide additional explanation of the statutory language on the duration of the corrective action plan. Paragraph (b) of this section re-states section 413(i)(4) of the Act. This section requires that the State implement the corrective action plan ``until the State determines that the **child poverty** rate in the State is less than the lowest **child poverty** rate on the basis of which the State was required to submit the corrective action plan.''

The ``lowest **child poverty** rate'' means the five percent threshold above the first year in the two year comparison period. For example, a State with a 20 percent **child poverty** rate in the first year of the two year comparison period would have a five percent threshold of 21 percent and would be required to implement its corrective action plan until its **child poverty** rate dropped below 21 percent.

V . Regulatory Impact Analyses

A. Executive Order 12866

Executive Order 12866 requires that regulations be drafted to ensure that they are consistent with the priorities and principles set forth in the Executive Order. The Department has determined that this **proposed** rule is consistent with these priorities and principles. This **proposed** rulemaking implements statutory authority based on broad consultation and coordination.

The Executive Order encourages agencies, as appropriate, to provide the public with meaningful participation in the regulatory process. As described elsewhere in the preamble, ACF consulted with State and local officials, their representative organizations, and a broad range of technical and interest group representatives.

We discuss the input received during the consultation process in previous sections of the preamble. To a considerable degree, this NPRM reflects the information provided by, and the recommendations of, the groups with whom we consulted.

B. Regulatory Flexibility Analysis

The Regulatory Flexibility Act (5 U.S.C. 603, 605) requires the Federal government to anticipate and reduce the impact of rules and paperwork requirements on small businesses and other small entities. Small entities are defined in the Regulatory Flexibility Act to include small businesses, small non-profit organizations, and small governmental agencies. This rule will affect only States, the District of Columbia, and certain Territories. Therefore, the Secretary certifies that this rule will not have a significant impact on small entities.

C. Paperwork Reduction Act

In developing this **proposed** rule, we had very little discretion with respect to the kinds of data States and Territories must report to the Secretary. Thus, the burden of reporting data on the Food Stamp program is mandated by the statute. We have estimated the burden in this section and do not view it as significant. We have exercised discretion by developing an approach that will help States and Territories meet the statutory requirements with the least burden.

We will send to the States the Census Bureau data on the number and percentage of children reported to have fallen below the **poverty** level and will compute for the Territories the percentage of children in **poverty** based on the information provided by the Territory. Only those States and Territories whose **child poverty** rate increased 5 percent or more will be required to submit further information. This approach is designed to lessen the burden on these jurisdictions. However, we invite comments on this approach and the possible impact it may have on

States and Territories.

To the extent possible, this **proposed** rule relies on existing data sources. The Census methodology is based on available data from the Bureau of the Census, the U.S. Department of Agriculture, and the U.S. Department of the Treasury. Sample or universe data on the number of households with children that receive Food Stamp benefits are reported by the States to the

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U.S. Department of Agriculture (USDA) and are available from the States or the USDA. Also, States report to USDA data on the number of students certified to receive free and reduced-price school lunches.

However, this **proposed** rule does contain information collection activities that are subject to review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (the PRA). Under the PRA, no persons are required to respond to a collection of information unless it displays a valid OMB control number. As required by the PRA, we have submitted the **proposed** data collection requirements to OMB for review and approval. We are using this NPRM as a vehicle for seeking comment from the public on these information collection activities.

There are four circumstances in the **proposed** rule that will create a reporting burden:

<bullet> A Territory provides data to us on which we will base our computation of an estimate of the percentage of children in **poverty** and the change in the percentage (Sec. 284.35);

<bullet> A State or Territory provides evidence that the estimated increase in **poverty** was less than 5 percent (Sec. 284.25(c) and Sec. 284.35(g));

<bullet> A State or Territory provides evidence that the increase in the **child poverty** rate was not the result of the **TANF** program (Sec. 284.30 and Sec. 284.35(h)); and

<bullet> A State or Territory submits a corrective action plan (Sec. 284.40 and Sec. 284.45).

The annual burden estimates include any time involved compiling and abstracting information, assembling any other material necessary to provide the requested information, and transmitting the information.

Prior to the development of this estimate, we researched the burden estimates for similar OMB-approved data collections in our inventory, and those pending OMB approval, and consulted with knowledgeable Federal officials.

All 50 States, the District of Columbia, and the Territories of Guam, Puerto Rico, and the United States Virgin Islands are potential respondents to all of the **proposed** data collections. The annual burden estimates for these data collections are:

Instrument or requirement	Number of respondents	Number of responses per respondent	Ave
Submission of Data by Territory for Computation of an Estimate of the Percentage of Children in **Poverty** and the Change in the Percentage (Sec. 284.35)	3	1	
Submission of Food Stamp Data and/or Alternative Evidence That **Child Poverty** Level Did Not Increase by 5% or More (Sec. 284.25(c) and Sec. 284.35(g))	54	1	
Documentation for Relationship of **TANF** to the Increase in **Child Poverty** Level (Sec. 284.30 and Sec. 284.35(h))	54	1	
Corrective Action Plan (Sec. 284.40 and Sec.			

284.45)....................................... 54 1

Estimated Total Annual Burden Hours: 15,240.

We have over-estimated the burden hours for part 284 for ease of discussion and public review of the burden. We expect that only a few States will experience an increase of 5 percent or more in their **child poverty** rate and will need to provide Food Stamp or additional data; even fewer will need to submit information in relation to the **TANF** program; and a very few will be required to submit a corrective action plan.

We encourage States, organizations, individuals, and other parties to submit comments regarding the information collection requirements to ACF (at the address above) and to the Office of Information and Regulatory Affairs, OMB, Room 3208, New Executive Office Building, 725 17th Street, Washington, DC 20503, ATTN: Desk Officer for ACF.

To ensure that public comments have maximum effect in developing the final regulations and the data collection requirements, we urge that each comment clearly identify the specific section or sections of the **proposed** rule that the comment addresses and follow the same order as the regulations.

We will consider comments by the public on these **proposed** collections of information in:

<bullet> Evaluating whether the **proposed** collections are necessary for the proper performance of our functions, including whether the information will have practical utility;

<bullet> Evaluating the accuracy of our estimate of the burden of the **proposed** collections of information, including the validity of the methodology and assumptions used, and the frequency of collection;

<bullet> Enhancing the quality, usefulness, and clarity of the information to be collected; and

<bullet> minimizing the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technology, e.g., the electronic submission of responses.

OMB is required to make a decision concerning the collections of information contained in these **proposed** rules between 30 and 60 days after publication of this document in the Federal Register. Therefore, a comment is assured of having its full effect if OMB receives it within 30 days of publication. This OMB review schedule does not affect the deadline for the public to comment to ACF on the **proposed** rules.

D. Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 requires that a covered agency prepare a budgetary impact statement before promulgating a rule that includes any Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of $100 million or more in any one year.

If a covered agency must prepare a budgetary impact statement, section 205 further requires that it select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with the statutory requirements. In addition, section 205 requires a plan for informing and advising any small government that may be significantly or uniquely impacted by the **proposed** rule.

We have determined that this **proposed** rule would not impose a mandate that will result in the

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expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of more than $100 million in any one year. Accordingly, we have not prepared a budgetary impact statement, specifically addressed the regulatory alternatives considered, or prepared a plan for informing and advising any significantly or uniquely impacted small government.

E. Congressional Review

This **proposed** rule is not a ``major'' rule as defined in 5 U.S.C., Chapter 8.

List of Subjects in 45 CFR Part 284

Grant programs--Social programs, Public Assistance programs; Reporting and recordkeeping requirements; **Poverty**.

(Catalogue of Federal Domestic Assistance Programs: 93.558 **TANF** programs--State Family Assistance Grants, Assistance grants to Territories, Matching grants to Territories, Supplemental Grants for Population Increases and Contingency Fund; 93.595 Welfare Reform Research, Evaluations and National Studies.)

Dated: May 13, 1998.
Olivia A. Golden,
Assistant Secretary for Children and Families.

Approved: June 9, 1998.
Donna E. Shalala,
Secretary, Department of Health and Human Services.

For the reasons set forth in the preamble, we propose to amend 45 CFR Ch. II by adding part 284 to read as follows:

PART 284--**CHILD POVERTY** RATES

Sec.
284.10 What does this part cover?
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284.30 What information must the State provide to explain the impact of **TANF** on the increase in **child poverty**?
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Authority: 42 U.S.C. 613(i)

Sec. 284.10 What does this part cover?

(a) This part describes the methodology to be used to determine State **child poverty** rates, as required by section 413(i) of the Social Security Act, including determining whether the **child poverty** rate increased by 5 percent or more as a result of **TANF**. It also describes the content and duration of the corrective action plan.

(b) The requirements of this part do not apply to any Territory that has never operated a **TANF** program.

Sec. 284.11 What definitions apply to this part?

The definitions that apply to this part are:

ACF means the Administration for Children and Families.

Act means the Social Security Act, unless otherwise specified.

Census methodology means the methods developed by the Census Bureau for estimating the number and percentage of children in **poverty** in each State.

Child poverty rate means the result of the methodology described in this part to determine the percentage of children in **poverty** in each State and Territory. The State **child poverty** rate will be based on the Census methodology and may also include the number of households with children receiving Food Stamp benefits and additional data submitted by a State. The **child poverty** rate for a Territory will be computed by ACF based on data submitted by the Territory.

Children in **poverty** means estimates resulting from the Census methodology of the percentage of children in a State that live in families with income below 100 percent of the federal **poverty** level.

Date of enactment means calendar year 1996.

State means each of the 50 States of the United States and the District of Columbia.

TANF means the Temporary Assistance for Needy Families program, as enacted by section 103 of Pub. L. 104-193 (42 U.S.C. 601-619).

Territories means American Samoa, Guam, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

We (and any other first person plural pronouns) means the Secretary of Health and Human Services or any of the following individuals and organizations acting in an official capacity on the Secretary's behalf: The Assistant Secretary for Children and Families, the Regional Administrators for Children and Families, the Department of Health and Human Services, and the Administration for Children and Families.

Sec. 284.15 Who must submit information to ACF to carry out the requirements of this part?

The chief executive officer of the State or Territory, or his or her designee, is responsible for submitting the information required by this part to us.

Sec. 284.20 What information will we provide to each State to estimate the number of children in **poverty**?

(a) Annually, we will provide each State with an estimate of the number and percentage of children in **poverty** within the State, as determined by the Census Bureau using the Census methodology. The annual estimate will be for the calendar year two years previous. (The first annual estimate in 1998 will be an estimate of children in **poverty** for calendar year 1996.)

(b) In 1999, and annually thereafter, we will determine for each State, at the 80 percent confidence level, the change in the percentage of children in **poverty** for the applicable two calendar year period based on the Census Bureau data, and provide each State with its percentage of change. (The first determination of percentage change will cover the change between calendar years 1996 and 1997.)

Sec. 284.25 What information must the State provide if the estimate of a State's **child poverty** rate has increased five percent or more over the two year period?

(a) If the estimate of a State's **child poverty** rate did not increase by 5 percent or more, at an 80 percent confidence interval, from one year to the next, we will conclude that a State has satisfied the statutory requirements of section 413(i) of the Act, and notify the State that no further information from or action by the State is required for the applicable two calendar year period.

(b) If the estimate of a State's **child poverty** rate increased by 5 percent or more from one year to the next, we will notify the State that it has 60 days to submit the data required in paragraph (c) of this section.

(c) If required under paragraph (b) of this section, the State must submit data on the average monthly number of households with children that received Food Stamp benefits for each of the two most recent years for which data are available. (We expect that the data submitted in 1999 will cover calendar years 1997 and 1998.) The State may also submit other evidence covering any pertinent time-period, including the proportion of students certified for free or reduced-price school lunches or estimates of **child poverty** that were derived from an independent source.

(1) If a State reports Food Stamp data based on population counts, it must

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report the average monthly number for each of the two calendar years and the difference between them.

(2) If a State reports Food Stamp data based on monthly samples, it must include the calculated standard errors of each annual estimate.

(3) If there has been a change in legislation, policy, or program procedures that have had a substantial impact on the number of households with children receiving Food Stamps during the period for which we are requesting Food Stamp data, the State must submit data relevant to determining how that change(s) affected the number of Food Stamp households with children, including data on sub-populations affected by the change.

(d) Based on the information submitted by the State under paragraph (c) of this section, if the average monthly number of households with children receiving Food Stamp benefits within the State indicates a subsequent improvement, commensurate with the **poverty** increase in the Census data, we will conclude that the State has satisfied the statutory requirements of section 413(i) of the Act, and that no further information from or action by the State is required.

(e) If the average monthly number of households with children receiving Food Stamp benefits within the State did not indicate a subsequent decrease in **child poverty** commensurate with the increase shown by the Census data, we will review any additional data the State has provided. Unless this additional data provides sufficient documentation that either **child poverty** did not go up in the State or there was a subsequent commensurate decline, we will notify the State that it must provide the information described in Sec. 284.30.

Sec. 284.30 What information must the State provide to explain the impact of **TANF** on the increase in **child poverty**?

(a) If we have determined under Sec. 284.25, that the State must submit its assessment (and the information and evidence on which the assessment is based) of whether the **child poverty** rate has increased as a result of the State's **TANF** program, the State's assessment, and the information on which the assessment is based, must cover the two year period for which the **child poverty** rate is determined, and must be submitted to us within 60 days. Examples of such information may include--

(1) Evidence that **TANF** program rules did not economically disadvantage children from one calendar year to the next to the extent that such policies could account for a 5 percent or more increase in the **child poverty** rate. For example, if **TANF** income eligibility rules did not limit program participation and program cash benefits did not decrease substantially, a State could assert that increases in the **child poverty** rate occurred independently of **TANF**. A State could also

provide other **TANF** program evidence, such as the percentage of eligible individuals receiving **TANF**, the number of applicants disapproved, sanction rates, numbers of cases terminated as a result of time limits, and numbers of cases terminated as a result of failing to meet work requirements;

(2) Evidence that other factors account for the increase in the **child poverty** rate, such as changes in economic or social conditions, e.g., an increase in the State's unemployment rate. For example, a State that met the definition of a ``needy State'' under section 403(b)(6) of the Act for an extended period of time within the applicable two year period could assert that increases in the **child poverty** rate resulted from non-**TANF** factors; or

(3) An alternate justification that demonstrates that changes in the **child poverty** rate within the State did not result from **TANF**. For example, a State could submit data from other assistance programs that provide evidence that increases in the **child poverty** rate did not result from **TANF**.

(b) We will review the State's assessment, along with other available information such as the State's **TANF** plan and eligibility criteria, other supportive services and assistance programs, and the State's economic circumstances; make a determination whether the **child poverty** rate has or has not increased by 5 percent or more as a result of the State's **TANF** program; and notify the State whether it must submit a corrective action plan as described in Secs. 284.40 and 284.45.

(c) If we determine that the **child poverty** rate has not increased by 5 percent or more as a result of the State's **TANF** program, we will conclude that the State has met the requirements of section 413(i) and notify the State that no further information from or action by the State is required for the applicable two calendar year period.

Sec. 284.35 How will the methodology for the Territories differ?

(a) To the extent that data are available and the procedures applicable, the Territories are subject to the same methodology used to determine the **child poverty** rate in the 50 States and the District of Columbia.

(b) Since the Census Bureau methodology does not estimate a **child poverty** rate for the Territories, each Territory must, beginning in 1998, and annually thereafter, submit to ACF the Food Stamp data described in Sec. 284.25(c).

(c) If the Food Stamp data are not available for a Territory because it did not operate a Food Stamp program for the applicable year, it must, beginning in 1998, and annually thereafter, submit other information on which the **child poverty** rate may be determined, such as the proportion of students certified for free or reduced-price school lunches or estimates of **child poverty** derived from independent sources. (In 1998, the Territory must submit data for calendar year 1996; in 1999, the Territory must submit data for calendar year 1997.)

(d) Based on the data specified in paragraph (b) or (c) of this section submitted for calendar year 1996, we will compute an estimate of the percentage of children in **poverty** for the Territory for calendar 1996.

(e) Based on the data specified in paragraph (b) or (c) submitted for calendar year 1997, we will compute an estimate of the percentage of children in **poverty** for calendar year 1997. We will also determine, at the 80 percent confidence level (if the data are sample data), the change in the percentage of children in **poverty** between calendar years 1996 and 1997. We will do this annually thereafter for the applicable two year period.

(f) If the estimate of the **child poverty** rate in the Territory did not increase by 5 percent of more, at an 80 percent confidence level, we will conclude that the Territory has satisfied the requirements of section 413(i) of the Act. We will notify the Territory that no further information from or action by the Territory is required for the applicable two year period.

(g) If the estimate of the **child poverty** rate in the Territory increased by 5 percent or more from one year to the next, the Territory must submit the information in paragraph (b) or (c) of this section for the subsequent calendar year. For example, if the **child poverty** rate increased between calendar years 1996 and 1997, the Territory must submit data for calendar year 1998. We will review these data and determine whether the **child poverty** rate has or has not increased by 5 percent or more.

(h) If we determine that the **child poverty** rate has increased 5 percent or more, we will notify the Territory that it must submit an assessment (and the information and evidence on which the assessment was based) of whether the **child poverty** rate increased as a result of the **TANF** program in the Territory.

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Examples of such information and evidence are found in Sec. 284.30(a).

(i) We will review the assessment provided by the Territory, along with other available data on the Territory's **TANF** plan and eligibility criteria, other supportive services and assistance plans, and economic circumstances; make a determination whether the increase in the **child poverty** rate is due to the Territory's **TANF** program; and notify the Territory whether a corrective action plan is required as specified in Sec. 284.40 and Sec. 284.45.

Sec. 284.40 When is a corrective action plan due?

Each State and Territory must submit a corrective action plan to ACF within 90 days of the date we notify it that, as a result of **TANF**, its **child poverty** rate increased by 5 percent or more for the applicable two calendar year period.

Sec. 284.45 What is the content and duration of the corrective action plan?

(a) The corrective action plan must outline the manner in which the State or Territory will reduce the **child poverty** rate in the State and include a description of the actions to be taken by the State or the Territory under such a plan.

(b) A State or Territory shall implement the corrective action plan until the State or Territory determines that the **child poverty** rate in the State is less than the lowest **child poverty** rate on the basis of which the State was required to submit the corrective action plan.

[FR Doc. 98-25384 Filed 9-22-98; 8:45 am]
BILLING CODE 4184-01-P

Poverty and Welfare Reform
Question and Answer
September 30, 1999

Q: How is welfare reform going?

A: In 1992, President Clinton promised to end welfare as we know it, and three years after the enactment of the welfare reform law, welfare reform is working. We've seen revolutionary changes to promote work and responsibility: welfare rolls are down by nearly half to their lowest level in 30 years, nearly four times more of those on welfare are working, and the employment rate of people receiving welfare in the previous year has increased by 70 percent. All fifty states are meeting the law's overall work requirement. Numerous independent studies also confirm that record numbers of people are moving from welfare to work.

Background

Caseloads: The number of welfare recipients is at its lowest level since 1969 (30 years) and the percentage of Americans on welfare is at its lowest level since 1967 (32 years). The welfare rolls have fallen by 48 percent, or 6.8 million, since January 1993, when they stood at 14.1 million. State-by-state numbers show 31 states have had declines of 50 percent or more. A recent report by the Council of Economic Advisers finds that the implementation of welfare reform is the single most important factor contributing to the widespread and continuous caseload declines from 1996 to 1998. CEA estimates that the federal and state program and policy changes implemented as a result of welfare reform account for approximately one-third of the caseload reduction from 1996 to 1998. The strong economy has also played an important role, accounting for approximately ten percent of the decline.

Employment and earnings of current welfare recipients: Nationally, the percentage of welfare recipients who work rose from 7 percent in 1992 to 27 percent in 1998, with the remainder fulfilling their participation requirements through job search, education, and training. The earnings of those on welfare have increased about 11 percent between 1997 and 1998 (from $506/month to $553/month).

Employment and earnings of former welfare recipients: Results from a national survey released in August by the Urban Institute found 69 percent of recipients had left welfare for work, and 18 percent had left because they had increased income, no longer needed welfare, or had a change in family situation. The report found that women leaving welfare were working at nearly identical rates, types of jobs, and at salaries as other mothers with incomes up to 200 percent of poverty or $32,000 a year for a family of four. This study found former welfare recipients had a median hourly wage of $6.61, which is actually higher than other low-income mothers whose median hourly wage is $6.06. More than two-thirds of employed former recipients are working 35 hours per week or more, which is slightly higher than other low-income mothers.

A recent General Accounting Office report based on state surveys found that between 63 and 87 percent of adults have worked since leaving the welfare rolls, results similar to state studies funded by the Department of Health and Human Services. GAO found annual earnings ranging from $9,512 to $15,144 among those who had left welfare. When we factor in other supports for working families, such as EITC, food stamps, and child care, families are better off than they were on welfare.

Q: Has poverty among young children increased under the Clinton/Gore Administration?

A: No. From 1993 to 1998, the poverty rate among children under age six has declined from a high of 26 percent (6.1 million children) to 20.6 percent (4.8 million children). This recent decrease came after a 52 percent increase between 1978 and 1993. There has been a decline in poverty not only among young children, but all children. Overall, there are now 2.2 million fewer children living in poverty than in 1993 (15.7 million in 1993 compared to 13.5 million in 1998) and, under President Clinton, the child poverty rate declined from 22.7 percent to 18.9 percent – the largest five-year drop in nearly 30 years. There have also been historic declines in the African-American and Hispanic child poverty rates, though both remain too high.

Q: Do these new numbers show more children living in extreme poverty?

A: No. We're encouraged to see that the number of children living in extreme poverty (50% of the federal poverty level or $6,400 for a family of three) dropped by nearly 600,000 between 1997 and 1998 (from 6.4 million to 5.8 million). The rate of extreme child poverty also dropped, from 9 percent to 8.1 percent. Since President Clinton and Vice President Gore took office, 1.2 million fewer children are living in extreme poverty – a drop of 18 percent, from 7 million in 1993 to 5.8 million in 1998.

Q: Why are these trends different from those reported by the Children's Defense Fund on August 22 showing an increase in the number of children living in extreme poverty?

A: The new numbers released by the Census Bureau reflect data through 1998 and use the official measure of poverty. The CDF numbers go through 1997 and use an expanded definition of income. Using that expanded definition of income, CDF found that the number of children living in extreme poverty rose by 426,000 between 1996 and 1997, from 2.3 million to 2.7 million. Under the official measure, the number of children living in extreme poverty held steady between 1996 and 1997. The actions the President announced on July 14th to ensure working families' access to food stamps (see below) will help address the loss of benefits that leads CDF to find a rise in extreme child poverty.

Q: Do these numbers show those at the bottom are worse off as a result of welfare reform?

A: No. The new Census data show record increases in income, a slight decrease in income inequality, and record decreases in the poverty rate. In 1998, every income group experienced a real increase in their income, showing that all parts of the income scale are benefiting from the growing economy. Under Reagan and Bush, average household income for the poorest one-fifth fell 4 percent; under the Clinton/Gore Administration it has increased over 10 percent. [NEC has more detailed analysis]

Background

An analysis by the Center on Budget and Policy Priorities released in late August compared income trends for families headed by single mothers between 1993-1995 and 1995-1997. They found, again using an expanded definition of income, that incomes of single-mother families rose substantially between 1993 and 1995, especially among the bottom 60 percent of these families, but that the story between 1995 and 1997 was mixed. In the later period, while incomes continued to grow for those in the second and third quintiles, the average disposable income of the poorest fifth of single mother families fell. This decline was primarily the result of a drop in receipt of TANF and food stamp benefits. While it will take more time to do a comparable analysis of 1998 data using alternative measures of poverty, the strong positive trend in the official measure is encouraging news. While the number of poor female-headed households with children stayed constant between 1995 and 1997, there were significant improvements in 1998. This means that between 1995 and 1998, the number of poor female-headed families with children dropped by nearly 5 percent (from 3.6 million to 3.5 million). The actions the President announced on July 14th to ensure working families access to food stamps (see details below) will go a long way to address the loss of benefits which the Center finds to be a key factor contributing to the loss of income among the poorest families.

Q: What has this Administration done to help families move out of poverty?

A: President Clinton and Vice President Gore have worked for the last six and a half years to raise incomes, make work pay, help families make a successful transition from welfare to work, and extend opportunity to all. This includes raising the minimum wage, expanding the Earned Income Tax Credit, enacting the Children's Health Insurance Program, and promoting investment in underserved communities. The latest data released by the Census Bureau show we are making tremendous progress.

The President has warned Congress not to renege on the bipartisan commitment to help states and communities finish the job of welfare reform and. He vigorously opposes attempts to cut the welfare block grant and the EITC tax refund for low income workers. The EITC lifted 4.3 million people out of poverty in 1998. To finish the job, we need to reauthorize the Welfare-to-Work program, raise the minimum wage, and increase our investment in childcare, transportation and housing vouchers. (See attachment).

Q: What has the President done to help welfare reform succeed?

A: The President started reforming welfare early in his first term, granting waivers to 43 states to require work and encourage personal responsibility, expanding the Earned Income Tax Credit and the minimum wage to make work pay, and pushing the Congress for nationwide welfare reform legislation which he signed into law in August 1996. Since 1996, he has: launched The Welfare to Work Partnership, which now includes 12,000 businesses that have hired an estimated 410,000 welfare recipients; issued an executive order to ensure the federal government hired welfare recipients (over 14,000 to date); and supported the launch of the Vice President's Coalition to Sustain Success, an array of national civic, service, and faith-based groups working to help new workers with the transition to self sufficiency. He has also fought for and won additional funds for welfare to work efforts, including a new tax credit to encourage the hiring of long term recipients, funding for Welfare-to-Work transportation ($75 million in FY 1999), and Welfare-to-Work housing vouchers (50,000 enacted to date): And on April 10, the President put in place new welfare rules that make it easier for states to use TANF funds to provide such as child care, transportation, and job retention services for working families.

Q: What is the Administration doing to make sure families get the food stamps and Medicaid for which they are eligible?

A: In July the President took executive action that will go a long way to ensure working families access to food stamps, by: (1) allowing states to make it easier for working families to own a car and still be eligible for food stamps; (2) simplifying food stamp reporting rules to make it easier for families to get food stamps; and (3) launching a nationwide public education campaign and a toll-free hotline to help working families know whether they're eligible for food stamps. Families with earnings up to 130 percent of poverty ($8.50 an hour for a family of three) can be eligible for food stamps to supplement their income and help buy food for their families, but only two of five working families eligible for food stamps actually apply for and receive them.

HCFA has been working hard with states to ensure that people who should be enrolled in Medicaid are, in fact, enrolled. Medicaid is a joint partnership between HCFA and the states. States have primary responsibility for operating their programs. Nevertheless, HCFA continues to provide technical assistance and intends to be aggressive in ensuring that states follow all federal rules involved with Medicaid eligibility determinations.

Since the beginning of 1997, HCFA has issued numerous letters designed to inform and educate States of their responsibilities under Medicaid. A new guidebook for states released last month is just the latest of our efforts to work with states to ensure that people moving off cash assistance programs, and working families who may not realize they are eligible for assistance, still get Medicaid benefits. The guidebook also makes clear that states' TANF-Medicaid application must furnish a Medicaid application upon request and may not impose a waiting period. States must also process Medicaid applications without delay. Extensive outreach efforts are also under way in all 50 states to enroll children in health insurance as part of the implementation of the Children's Health Insurance Program (CHIP).

In addition, both USDA and HHS are working aggressively to enforce the law requiring states to provide Medicaid and Food Stamp applications upon request and ensuring they process them without delay, regardless of the state rules governing the TANF application.

Background:

Between 1995 and 1998, the number of people receiving food stamps fell more than 3 times faster than the number of people in poverty. Recently released estimates from the Bureau of the Census show that the number of people in poverty fell from 36.4 million in 1995 to 34.5 million in 1998. Administrative data from the Food and Nutrition Service show that over the same period food stamp participation fell from an average of 26.3 million to 20.0 million. (Food stamp participation has fallen still further since then: in June, the program reached 17.8 million people).

There are a number of factors contributing to the decline in food stamp participation. One is the strength of the nation's economy, which allowed participants to find work, reducing their need for food stamps. Another is the success of welfare reform in moving participants from welfare to work. At the same time, some working families don't realize they are eligible for food stamps and have difficulty obtaining them, leading some participants to leave the program unnecessarily and discouraging others from applying for benefits. Finally, some changes in program rules under welfare reform restricted the participation of immigrants and unemployed childless adults.

Poverty Statistics: 1993-1998

	1993	1994	1995	1996	1997	1998	Percent Change '93 to '98	'95 to '98	'97 to '98
Poverty Rate (Percent)									
Overall	15.1	14.5	13.8	13.7	13.3	12.7	-15.9%	-8.0%	-4.5%
Black	33.1	30.6	29.3	28.4	26.5	26.1	-21.1%	-10.9%	-1.5%
Hispanic	30.6	30.7	30.3	29.4	27.1	25.6	-16.3%	-15.5%	-5.5%
White	12.2	11.7	11.2	11.2	11.0	10.5	-13.9%	-6.2%	-4.5%
Child	22.7	21.8	20.8	20.5	19.9	18.9	-16.7%	-9.1%	-5.0%
Black Child	46.1	43.8	41.9	39.9	37.2	36.7	-20.4%	-12.4%	-1.3%
Extreme Child Poverty	10.1	9.8	8.5	9.0	9.0	8.1	-19.8%	-4.7%	-10.0%
Female Householder*	38.7	38.6	36.5	35.8	35.1	33.1	-14.5%	-9.3%	-5.7%
Extreme Female Hholder* Poverty	19.2	19.0	16.2	17.2	17.1	15.4	-19.8%	-4.9%	-9.9%
Single Mother Family**	46.1	44.0	41.5	41.9	41.0	38.7	-16.1%	-6.7%	-5.6%
Children under 6 in all families	25.6	24.5	23.7	22.7	21.6	20.6	-19.5%	-13.1%	-4.6%
Children under 6 in single mom fam.	63.7	63.7	61.8	58.8	59.1	54.8	-14.0%	-11.3%	-7.3%
Number in Poverty (Thousands)									
Overall	39,265	38,059	36,425	36,529	35,574	34,476	-12.2%	-5.4%	-3.1%
Black	10,877	10,196	9,872	9,694	9,116	9,091	-16.4%	-7.9%	-0.3%
Hispanic	8,126	8,416	8,574	8,697	8,308	8,070	-0.7%	-5.9%	-2.9%
White	26,226	25,379	24,423	24,650	24,396	23,454	-10.6%	-4.0%	-3.9%
Child	15,727	15,289	14,665	14,463	14,113	13,467	-14.4%	-8.2%	-4.6%
Black Child	5,125	4,906	4,761	4,519	4,225	4,151	-19.0%	-12.8%	-1.8%
Extreme Child Poverty	7,017	6,888	5,970	6,330	6,364	5,774	-17.7%	-3.3%	-9.3%
Female Householder*	14,636	14,380	14,205	13,796	13,494	12,907	-11.8%	-9.1%	-4.4%
Extreme Female Hholder* Poverty	7,266	7,075	6,286	6,650	6,583	5,993	-17.5%	-4.7%	-9.0%
Single Mother Family**	4,034	3,816	3,634	3,755	3,614	3,456	-14.3%	-4.9%	-4.4%
Children under 6 in all families	6097	5878	5670	5333	5049	4775	-21.7%	-15.8%	-5.4%
Children under 6 in single mom fam.	3446	3415	3403	2990	2863	2782	-19.3%	-18.2%	-2.8%
Percent of Related Children in Families Receiving Food Stamps (at given ratio of the poverty line)									
Under .5 of Poverty Line									
On Food Stamps (Thousands)	4,959	4,769	3,892	4,055	3,996	3,274	-34.0%	-15.9%	-18.1%
Total (Thousands)	6,534	6,442	5,517	5,854	5,907	5,355	-18.0%	-2.9%	-9.3%
Percent	75.9	74.0	70.5	69.3	67.6	61.1	-19.4%	-13.3%	-9.6%
Under 1.0 of Poverty Line									
On Food Stamps (Thousands)	10,114	9,698	8,983	8,375	7,805	6,858	-32.2%	-23.7%	-12.1%
Total (Thousands)	14,961	14,610	13,999	13,764	13,422	12,845	-14.1%	-8.2%	-4.3%
Percent	67.6	66.4	64.2	60.8	58.2	53.4	-21.0%	-16.8%	-8.2%

Under 1.25 of Poverty Line									
On Food Stamps (Thousands)	11,434	11,144	10,368	9,653	8,913	7,849	-31.4%	-24.3%	-11.9%
Total (Thousands)	18,843	18,467	17,891	17,608	17,144	16,447	-12.7%	-8.1%	-4.1%
Percent	60.7	60.3	58.0	54.8	52.0	47.7	-21.4%	-17.6%	-8.2%

Source: Bureau of the Census

* Poverty rate for people in families with female householder, no spouse present.

** Poverty rate for families with female householder with children.

Absolute Change			'98 Number Lowest Since...
'93 to '98	'95 to '98	'97 to '98	
-2.4	-1.1	-0.6	Lowest since 1979
-7.0	-3.2	-0.4	Lowest ever since data recorded
-5.0	-4.7	-1.5	Lowest since 1979
-1.7	-0.7	-0.5	Lowest since 1989
-3.8	-1.9	-1.0	Lowest since 1980
-9.4	-5.2	-0.5	Lowest ever since data recorded
-2.0	-0.4	-0.9	Currently no historical series
-5.6	-3.4	-2.0	before 1993
-3.8	-0.8	-1.7	
-7.4	-2.8	-2.3	
-5.0	-3.1	-1.0	
-8.9	-7.0	-4.3	
-4,789	-1,949	-1,098	
-1,786	-781	-25	
-56	-504	-238	
-2,772	-969	-942	
-2,260	-1,198	-646	
-974	-610	-74	
-1,243	-196	-590	
-1,729	-1,298	-587	
-1,273	-293	-590	
-578	-178	-158	
-1,322	-895	-274	
-664	-621	-81	
-1,685	-618	-722	
-1,179	-162	-552	
-14.8	-9.4	-6.5	
-3,256	-2,125	-947	
-2,116	-1,154	-577	
-14.2	-10.8	-4.8	

-3,585	-2,519	-1,064
-2,396	-1,444	-697
-13.0	-10.2	-4.3

Highly Sensitive Information -
Protect Against Disclosure Before
10:30 a.m., September 30, 1999
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Income and Poverty: 1998

September 1999

U.S. Department of Commerce
Economics and Statistics Administration
U.S. CENSUS BUREAU

USCENSUSBUREAU

Highlights

Increase in real median household income of 3.5 percent from 1997 to 1998

- $38,900 in 1998, an all-time high
- Now 2.6 percent above 1989 level

Decline in poverty rates and number of poor

- 34.5 million poor
- 12.7 percent poverty rate
- Poverty rate still statistically the same as 1989 level

not stat. diff.

No change in income inequality from 1993 to 1998

Note: Income estimates are rounded to the nearest $100.

Median Household Income by Region: 1997 and 1998

All regions show an increase between 1997 and 1998

(In 1998 dollars)

United States	3.5%	increase to	$38,900
Northeast	2.8%	increase to	$40,600
Midwest	4.4%	increase to	$40,600
South	2.6%	increase to	$35,800
West	3.0%	increase to	$41,000

Note: Income estimates are rounded to the nearest $100.
Source: U.S. Census Bureau, Current Population Survey, March 1998 and 1999.

Poverty Rates by Region: 1997 and 1998

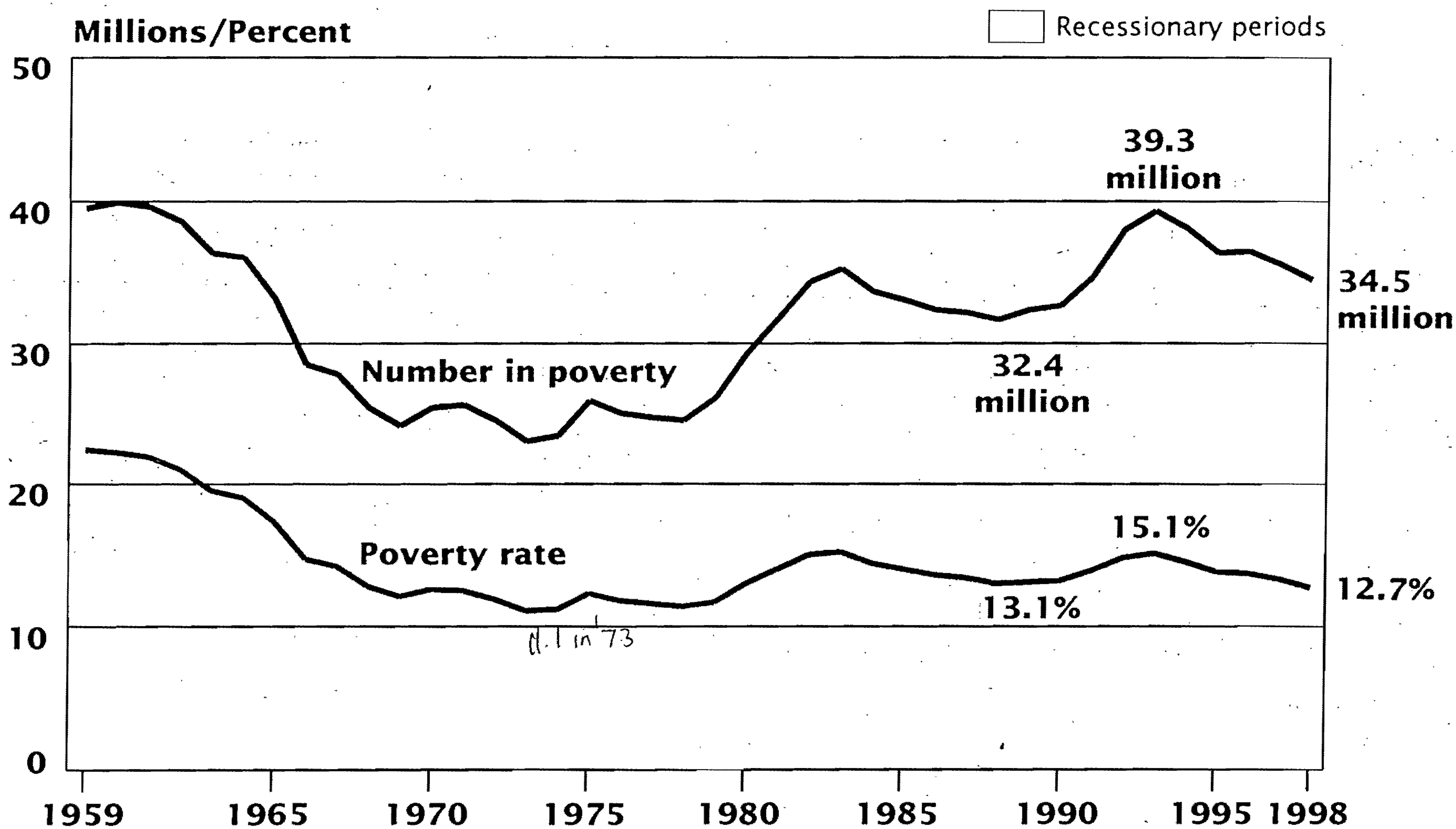
South the only region to show significant decline in poverty

United States	12.7%	decrease of decrease of	0.5 percentage points ~~1.2~~ 1.1 million
Northeast	12.3%	no statistical change	
Midwest	10.3%	no statistical change	
South	13.7%	decrease of decrease of	0.9 percentage points 0.8 million
West	14.0%	no statistical change	

Source: U.S. Census Bureau, Current Population Survey, March 1998 and1999.

Poverty: 1959 to 1998

Number of poor still exceeds 1989 level but poverty rate does not



Source: U.S. Census Bureau, Current Population Survey, March 1960 to 1999.
Estimates for 1990 and 1991 are interpolated.

Median Household Income by Race and Hispanic Origin: 1997 and 1998

Non-Hispanic Whites set new all-time high, Hispanics return to all-time high, Blacks remain at all-time high

(In 1998 dollars)

All	3.5%	increase to	$38,900
Non-Hispanic Whites	3.0%	increase to	$42,400
Blacks		no statistical change	$25,400
Asians and Pacific Islanders		no statistical change	$46,600
Hispanics (of any race)	4.8%	increase to	$28,300

Note: Income estimates are rounded to the nearest $100.
Source: U.S. Census Bureau, Current Population Survey, March 1998 and 1999.

Poverty Rates by Race and Hispanic Origin: 1997 and 1998

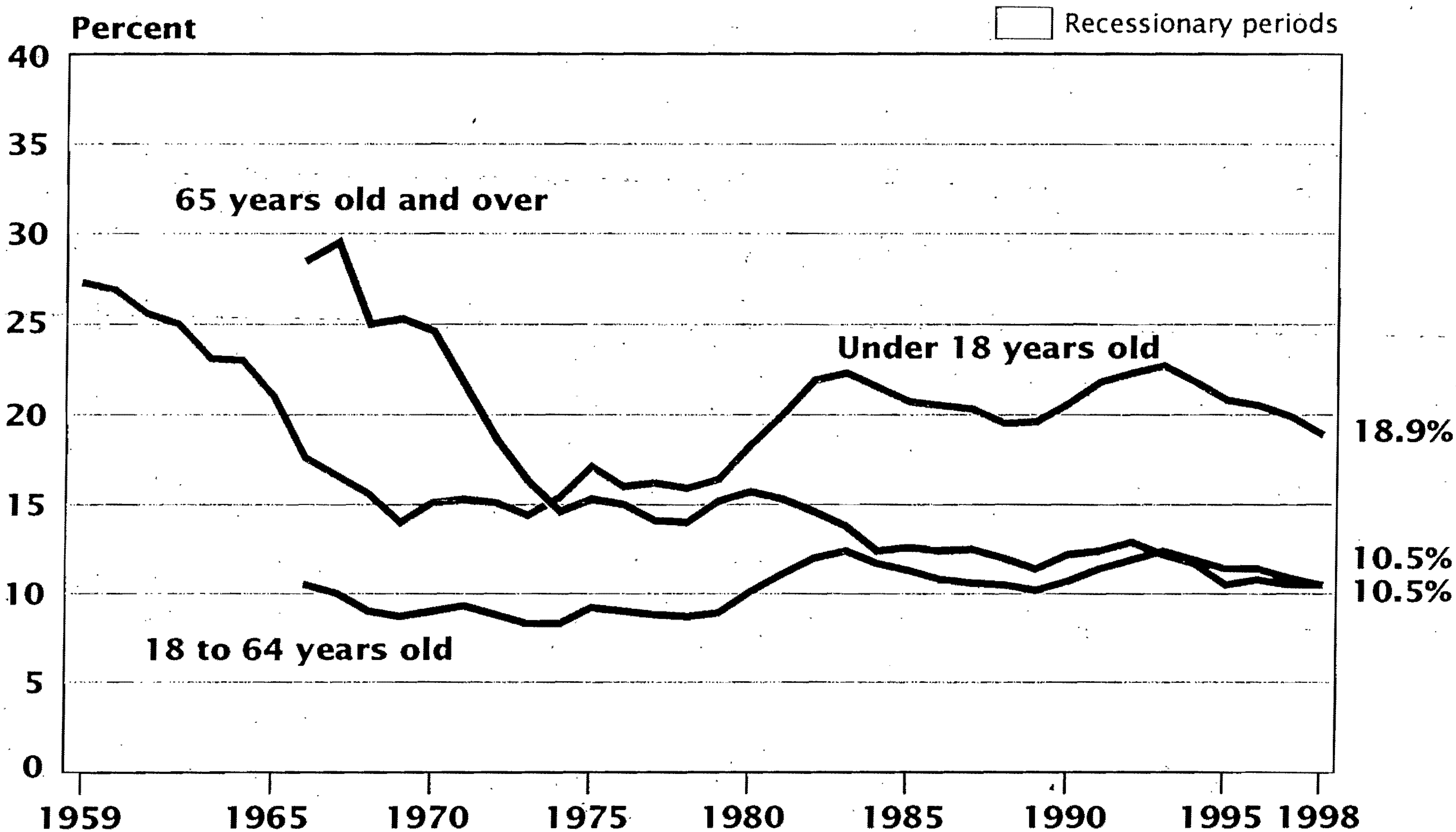
Poverty rates decline for non-Hispanic Whites and Hispanics, Black poverty rate remains at historic low

All	12.7%	decrease of	0.5 percentage points
Non-Hispanic Whites	8.2%	decrease of	0.4 percentage points
Blacks	26.1%	no statistical change	
Asians and Pacific Islanders	12.5%	no statistical change	
Hispanics (of any race)	25.6%	decrease of	1.5 percentage points

Source: U.S. Census Bureau, Current Population Survey, March 1998 and 1999.

Poverty Rates by Age: 1959 to 1998

Child poverty drops below 20% for first time since 1980

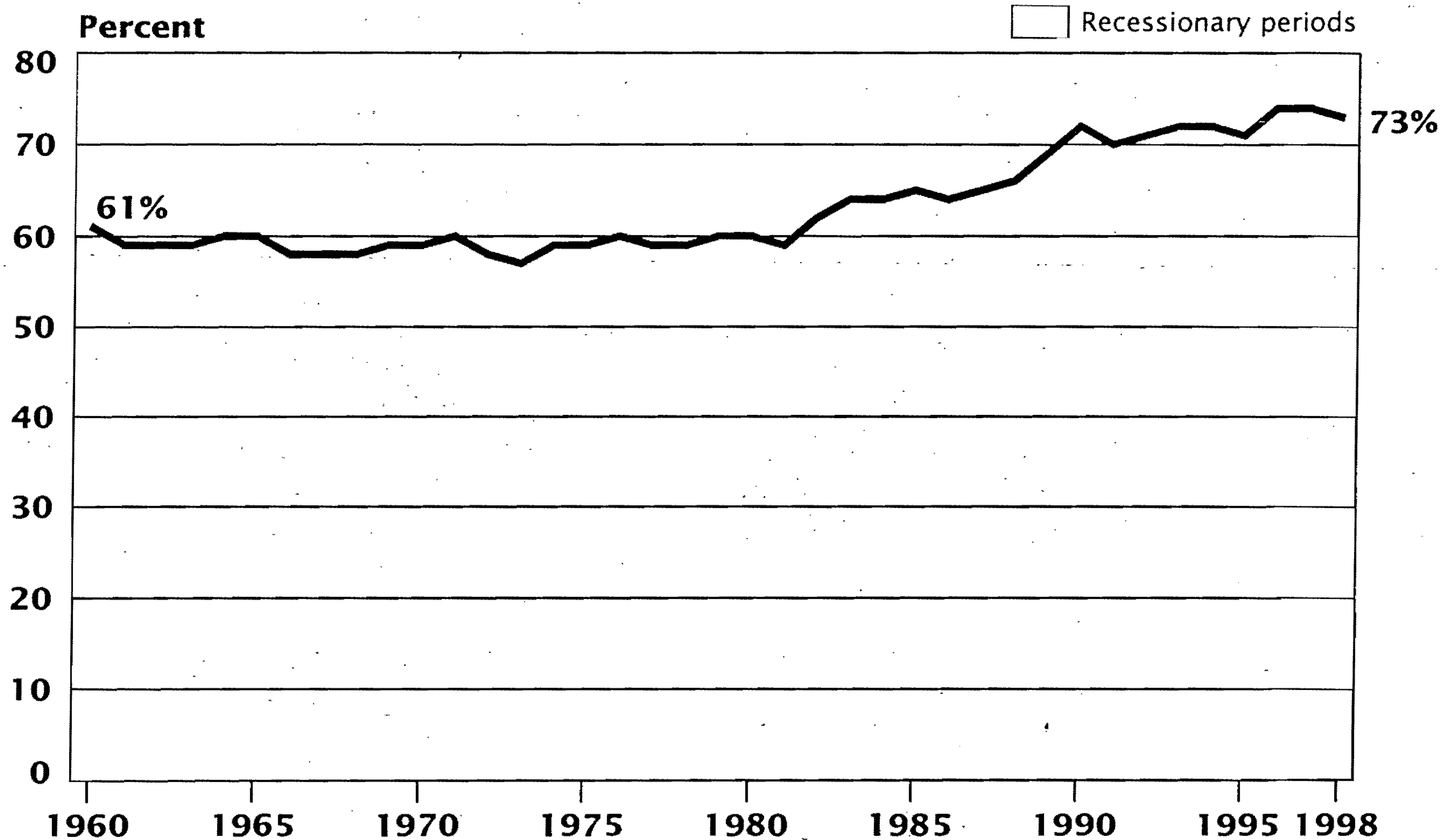


Source: U.S. Census Bureau, Current Population Survey, March 1960 to 1999.

Women's Earnings as a Percentage of Men's Earnings: 1960 to 1998

(Full-time, year-round workers)

Earnings ratio remains at all-time high

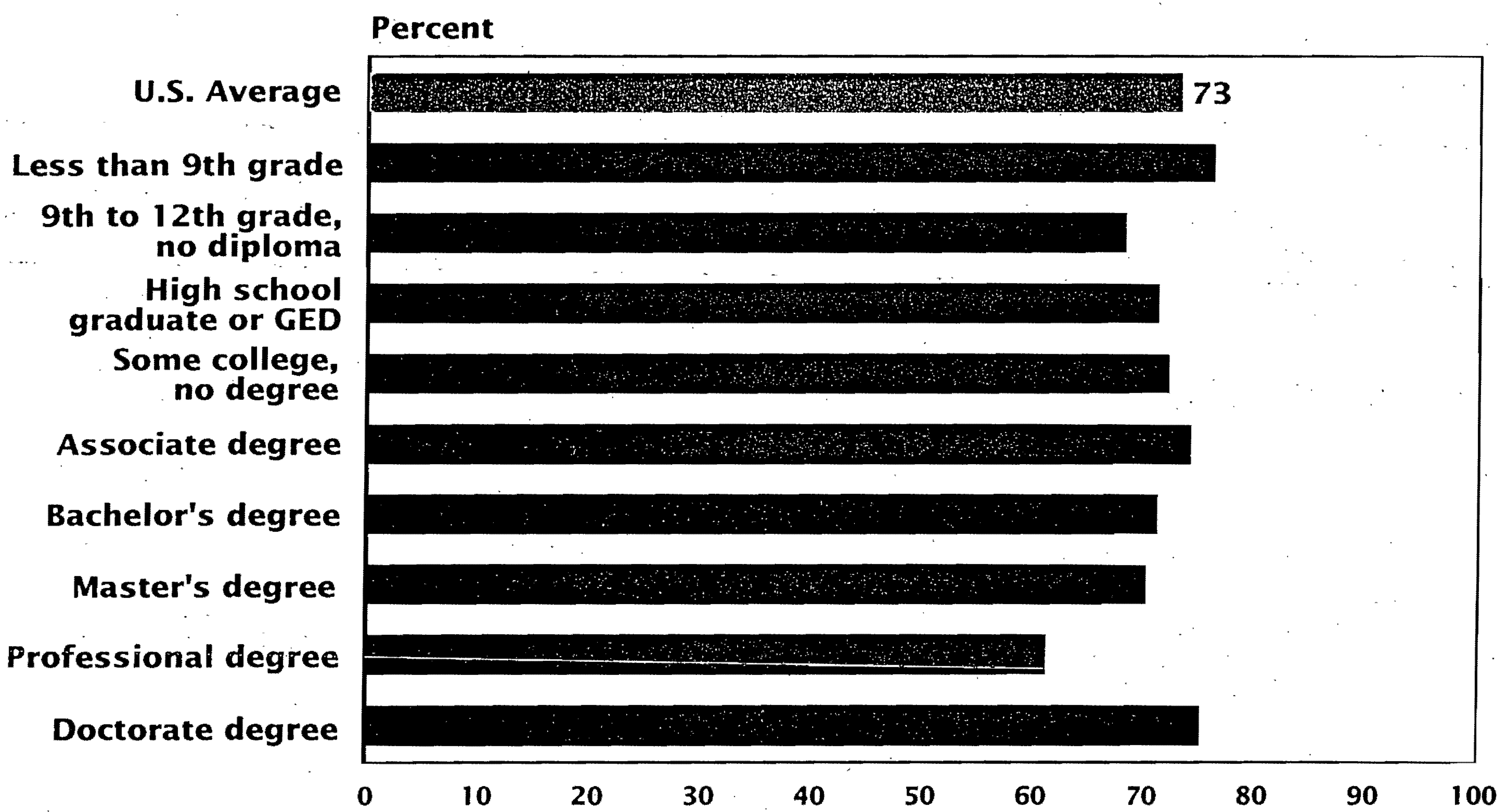


Source: U.S. Census Bureau, Current Population Survey, March 1961 to 1999.

Women's Earnings as a Percentage of Men's Earnings by Education: 1998

(Full-time, year-round workers, age 25 and older)

Ratio among the lowest for women with professional degrees

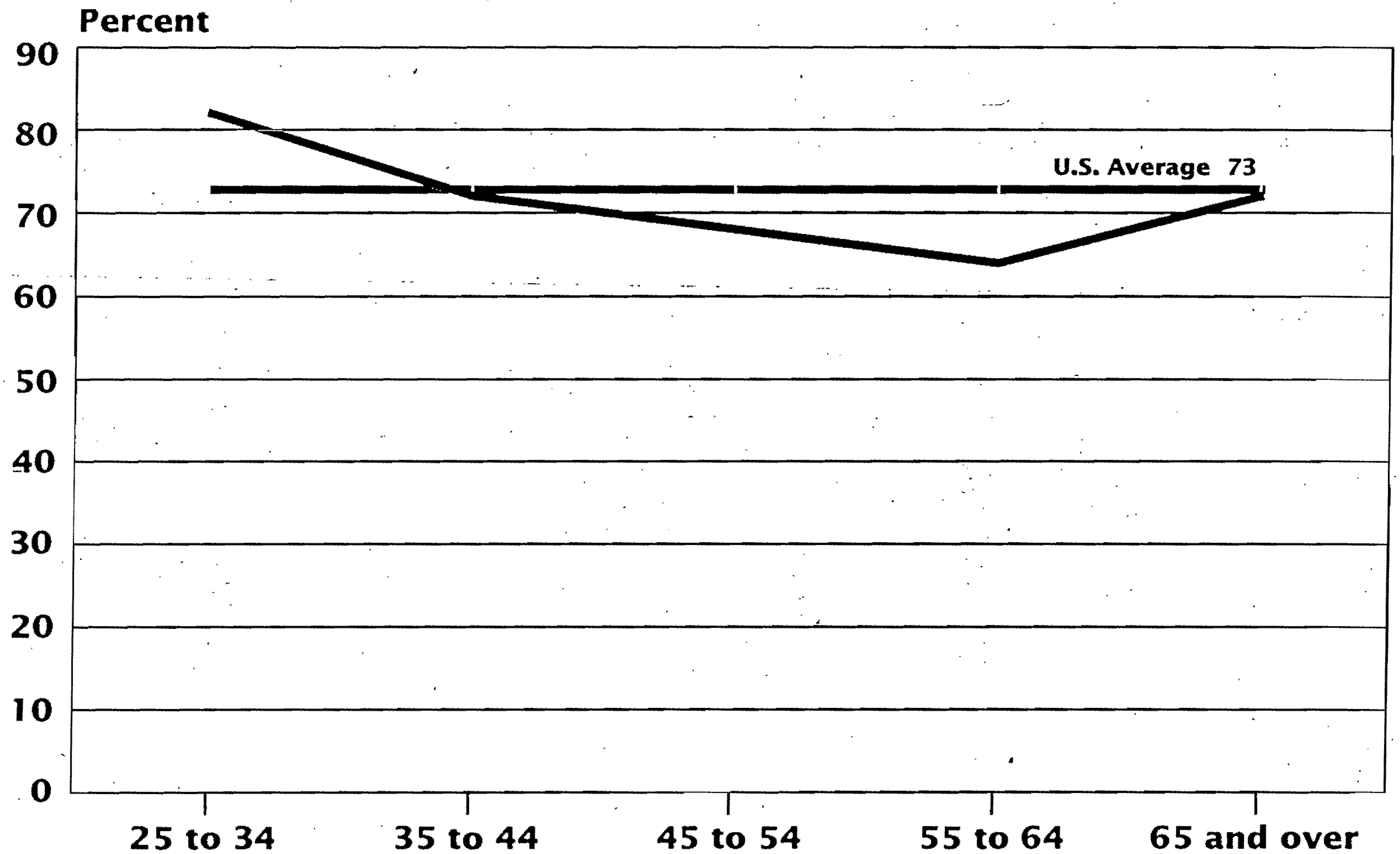


Source: U.S. Census Bureau, Current Population Survey, March 1999.

Women's Earnings as a Percentage of Men's Earnings by Age: 1998

(Full-time, year-round workers, age 25 and older)

Ratio highest for young workers



Source: U.S. Census Bureau, Current Population Survey, March 1999.

Measures of Household Income Inequality

No statistical change in share of aggregate income between 1997 and 1998.

Aggregate shares in 1998

3.6%	Lowest quintile
9.0%	Second quintile
15.0%	Third quintile
23.2%	Fourth quintile
49.2%	Highest quintile
21.4 %	Top 5 percent

No statistical change in Gini index between 1993 and 1998

Source: U.S. Census Bureau, Current Population Survey, March 1998 and 1999.

Changes by State: 1996 to 1998

(Comparison of two-year moving averages)

Median Household Income

- Increased

  Alabama
  Arizona
  Colorado
  Florida
  Georgia
  Indiana
  Minnesota
  Missouri
  New Mexico
  Ohio
  Oklahoma
  Pennsylvania
  Utah
  Vermont
  Washington
  Wyoming

- Decreased

  Alaska

Poverty Rate

- Decreased

  New Mexico
  Virginia

- Increased

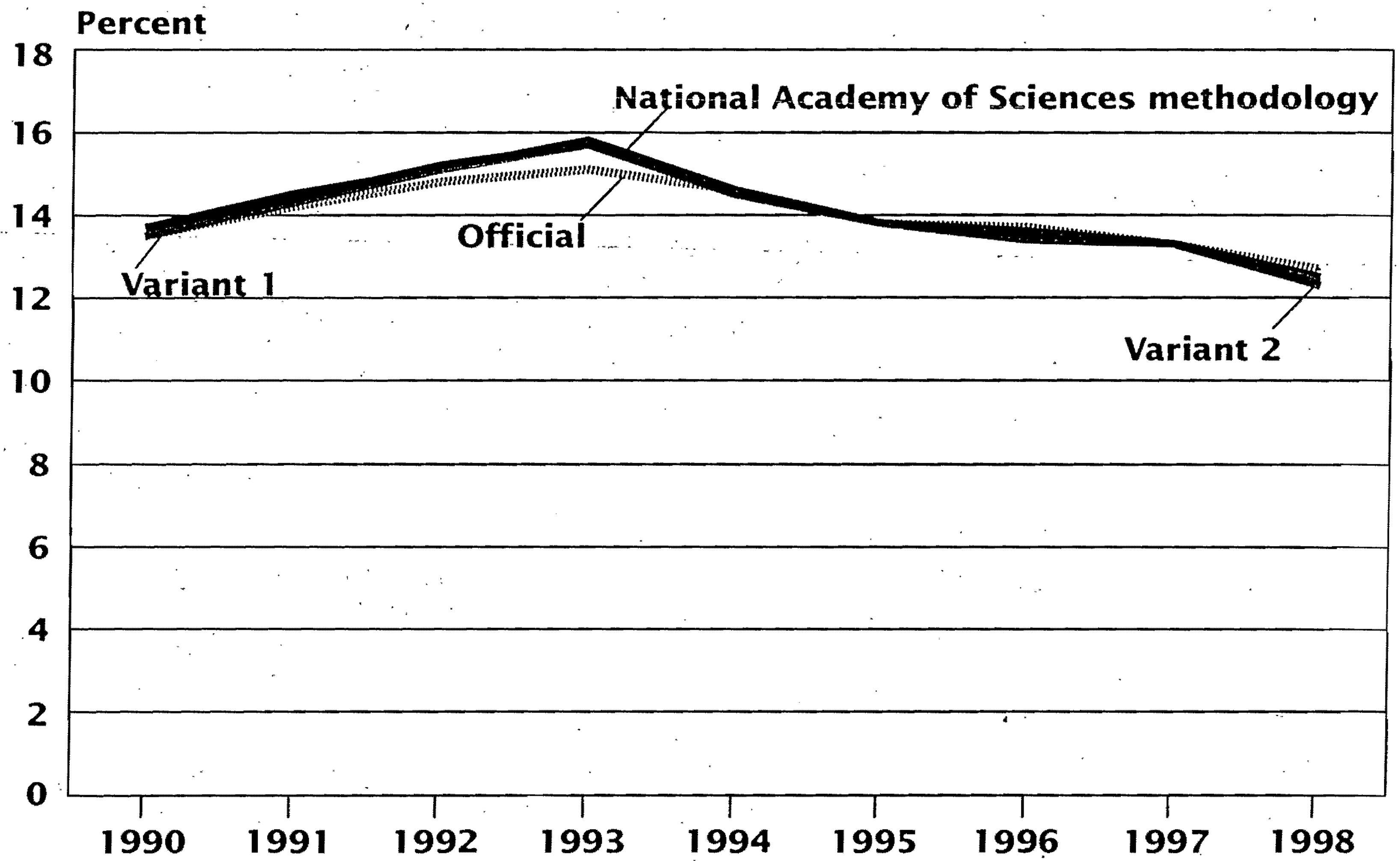
  North Dakota

Source: U.S. Census Bureau, Current Population Survey, March 1997 to 1999.

Selected Experimental Poverty Measures: 1990 to 1998

(Thresholds adjusted using Consumer Price Index)

Experimental measures show greater decline from 1993 to 1998 than official measure



Note: Poverty rates for all measures constrained to be equal in 1997.
Source: U.S. Census Bureau, Current Population Survey, March 1991 to 1999.

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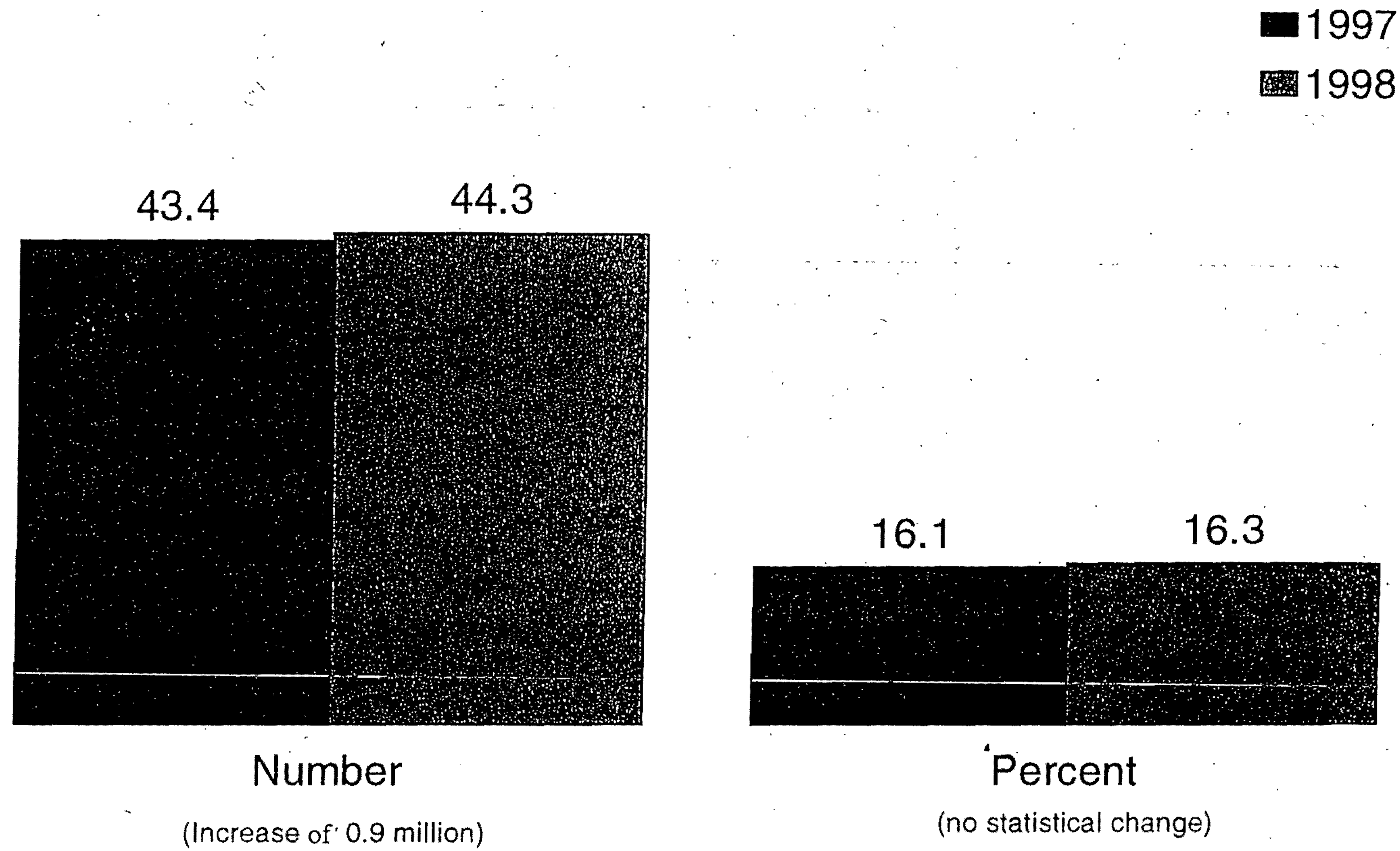
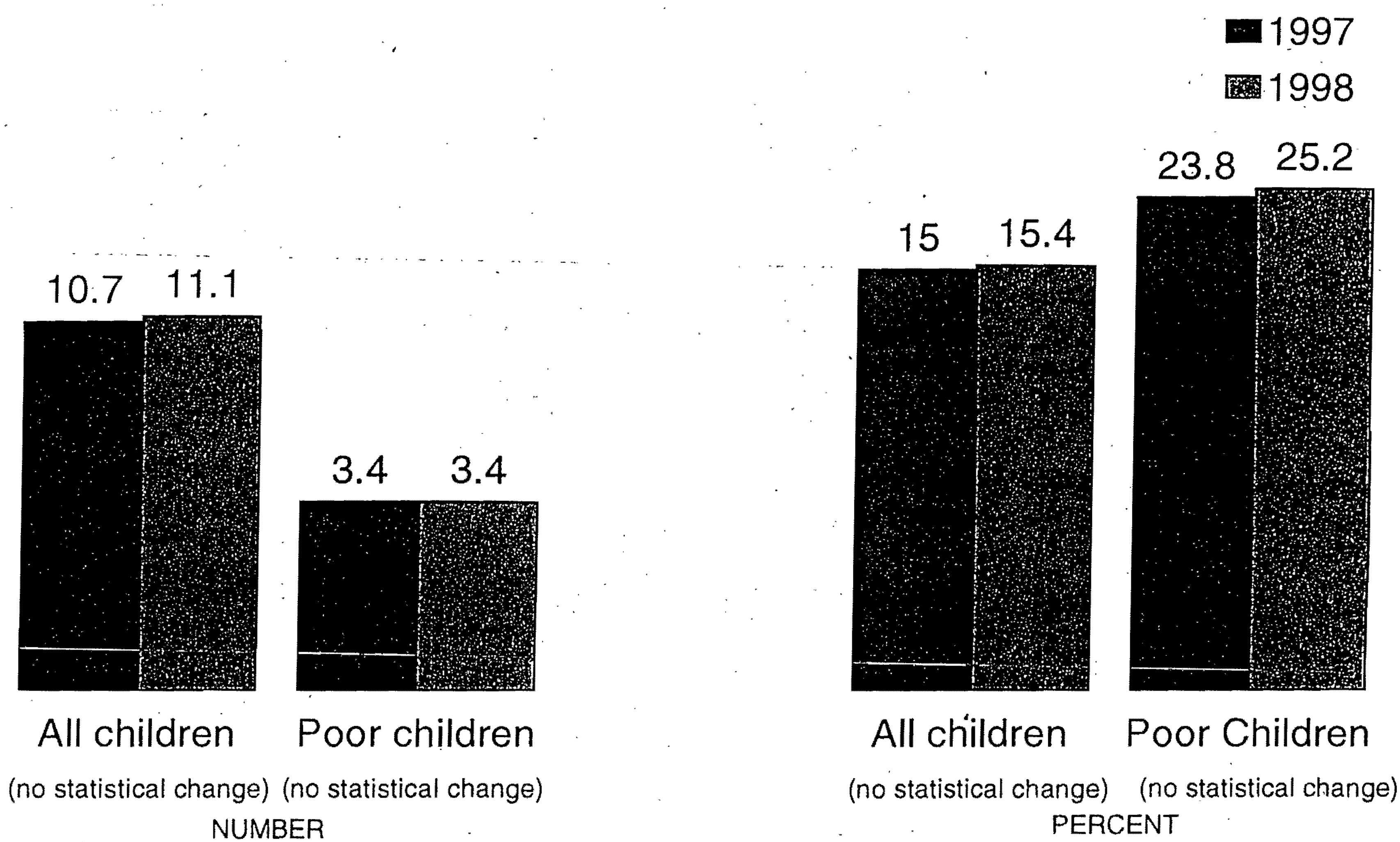
People Without Health Insurance Coverage: 1997 and 1998



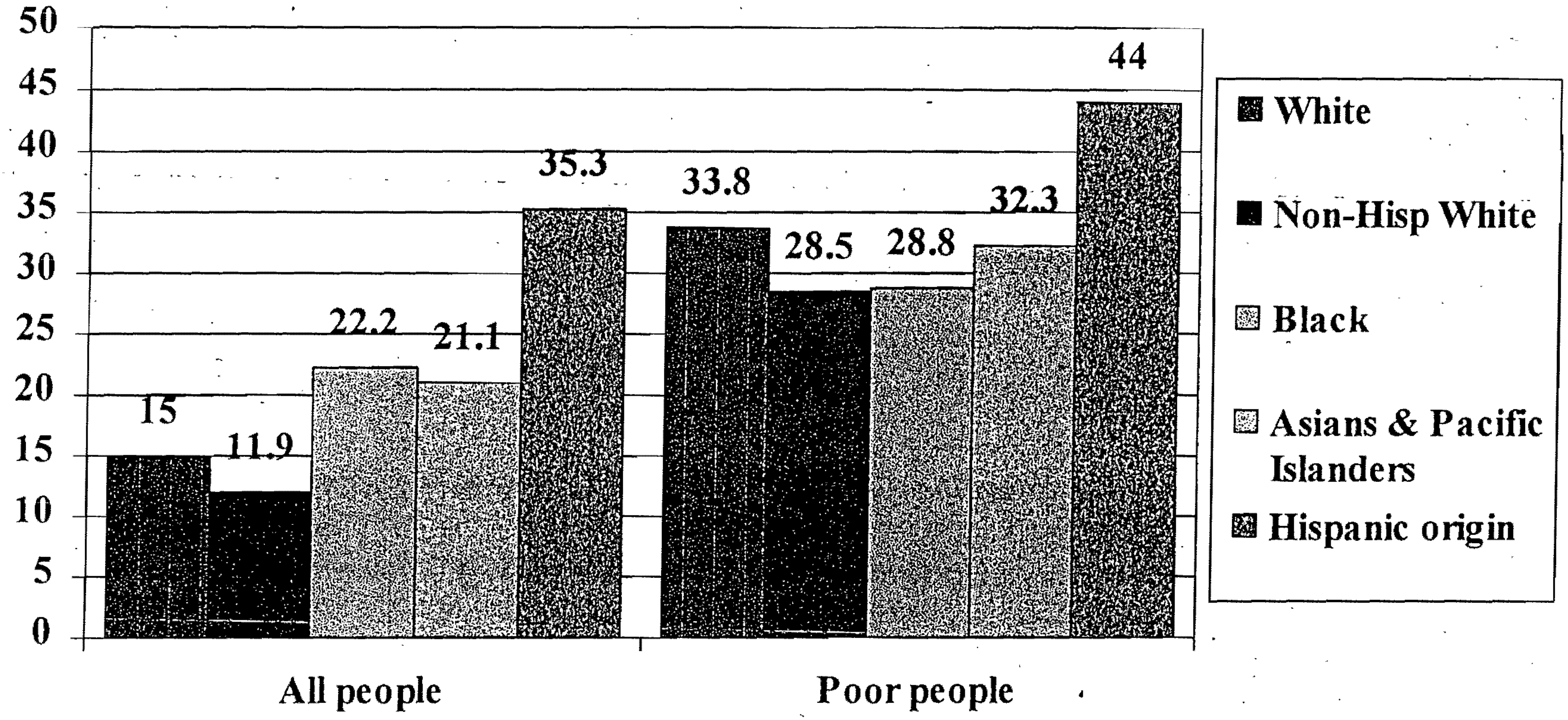
Source: U.S. Census Bureau, Current Population Survey, March 1998 and 1999.

Children Without Health Insurance Coverage: 1997 and 1998



Source: U.S. Census Bureau, Current Population Survey, March 1998 and 1999.

Percent Without Health Insurance by Race and Hispanic Origin: 1998



Hispanics may be of any race.

Source: U.S. Census Bureau, Current Population Survey, March 1999.

KEY FACTS ON CENSUS INCOME AND POVERTY REPORT
September 30, 1999

TODAY, THE CENSUS BUREAU RELEASED THEIR ANNUAL REPORT ON INCOME AND POVERTY IN AMERICA FOR 1998. HERE ARE SOME OF THE RESULTS:

Strong Broad-Based Income Gains:

- **All Groups Have Seen Their Incomes Rise – From Richest to Poorest.** For the second year in a row, all five quintiles of the income distribution saw their incomes, adjusted for inflation, rise. Since 1993, all five quintiles have seen their incomes rise strongly, after 12 years in which there was little if any improvement for the bottom 60 percent of Americans.

- **Household Income Up 3.5 Percent – Tied For the Largest Gain Since 1978.** Income for the median household rose $1,304, from $37,581 in 1997 to $38,885 in 1998, adjusted for inflation. Real median household income is now at the highest level ever recorded.

- **Typical Family Income Up Over $5,000 Since 1993.** Another measure of income -- family income, which excludes single individuals and counts only related members in any household -- shows a similar trend. In 1998, the median family's income, adjusted for inflation, increased 3.3 percent (or $1,475) -- the fifth consecutive annual rise. Median family income is also at an all-time high. Since President Clinton's Economic Plan passed in 1993, median family income has increased from $41,691 in 1993 to $46,737 in 1998 -- that's a $5,046 increase in income, adjusted for inflation. From 1988 to 1992, median family income *fell* $1,864, adjusted for inflation.

- **Income Growth Up for All Regions of the Country in 1998 for the First Time on Record.** For the first time since data were reported by region (in 1975), all regions of the country saw significant increases in median household income. The incomes of households living in the Midwest rose 4.4 percent in 1998, with a rise of 3.0 percent in the West, 2.8 percent in the Northeast, and 2.6 percent in the South.

- **Income of Typical Hispanic Household Up $3,880 in Past Three Years.** In 1998, the income of the median Hispanic household, adjusted for inflation, increased from $27,043 in 1997 to $28,330 in 1998 -- that's an increase of $1,287 or 4.8 percent. Over the past three years, the income of the typical Hispanic household has risen $3,880 -- or 15.9 percent -- the largest three-year increase in Hispanic income on record.

- **Under President Clinton, The Typical African-American Household's Income Is Up $3,317.** While median income of African-American households was unchanged in 1998, it is up 15.1 percent (or $3,317) since 1993, from $22,034 in 1993 to $25,351 in 1998, adjusted for inflation.

- **After Rising Sharply for 20 Years, Inequality Has Stabilized.** After rising for nearly 20 years, income inequality has not changed significantly over the past five years -- and fell slightly in 1998. In the 1970s and 1980s, income inequality <u>increased</u>, while the economy expanded. In the 1990s, all parts of the income scale are benefiting from a growing economy.

Large Reductions in Poverty:

- **Poverty Rate Fell To 12.7 Percent in 1998 -- Its Lowest Level Since 1979.** In 1998, the poverty rate dropped to 12.7 percent from 13.3 percent the year before -- that's the lowest poverty rate in two decades. Since President Clinton signed his Economic Plan into law, the poverty rate has declined from 15.1 percent in 1993 to 12.7 percent last year -- that's the largest five-year drop in poverty in nearly 30 years (1965-1970). There are now 4.8 million fewer people in poverty than in 1993. (In 1998, the poverty threshold was $16,660 for a family of four.)

- **In 1998, The Largest One-Year Drop in Child Poverty in More than Two Decades.** While the child poverty rate remains too high, in 1998, it declined from 19.9 percent to 18.9 percent -- that's the lowest child poverty rate since 1980 and the largest one-year drop in child poverty since 1976. Under President Clinton, the child poverty rate has declined from 22.7 percent to 18.9 percent -- that's the biggest five-year drop in nearly 30 years (1965-1970).

- **Elderly Poverty Rate As Low As It's Ever Been.** In 1998, the elderly poverty rate remained at 10.5 percent -- as low as it's ever been. In 1959, the elderly poverty rate was 35.2 percent.

- **The Hispanic Poverty Rate Dropped To Its Lowest Level Since 1979.** In 1998, the Hispanic poverty rate dropped from 27.1 percent to 25.6 percent -- that's the lowest level since 1979. While there is still more work to do, since President Clinton took office, Hispanic poverty has dropped from 30.6 percent to 25.6 percent. In the past two years, the poverty rate among Hispanics has dropped from 29.4 percent to 25.6 percent – that's the largest two-year drop in Hispanic poverty in more than 20 years (1975-1977). The Hispanic child poverty rate fell from 36.8 percent to 34.4 percent – and is now 6.5 percentage points lower than it was in 1993.

- **The African-American Poverty Rate Down To Its Lowest Level on Record.** While the African-American poverty rate is still far above the poverty rate for whites, it declined from 26.5 percent in 1997 to 26.1 percent in 1998 -- that's its lowest level recorded since data were first collected in 1959. Since 1993, the African-American poverty rate has dropped from 33.1 percent to 26.1 percent -- that's the largest five-year drop in African-American poverty in more than a quarter century (1967-1972).

- **Child Poverty Among African-Americans Down To Lowest Level on Record.** While the African-American child poverty rate is too high, it fell from 37.2 percent to 36.7 percent in 1998 -- its lowest level on record (data collected since 1959). Since 1993, the child poverty rate among African-Americans has dropped from 46.1 percent to 36.7 percent -- that's the biggest five-year drop on record.

- **4.3 Million People Lifted Out of Poverty By EITC -- Double The Number in 1993. In 1993,** President Clinton expanded the Earned Income Tax Credit, providing a tax cut for low-income working families. In 1998, the EITC lifted 4.3 million people out of poverty -- that's double the number of people lifted out of poverty by the EITC in 1993.