

# The effects of alternative earnings disregards and EITC on AFDC payments and eligibility: National summaries

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The Effects of Alternative Earnings Disregards  
and EITC on AFDC Payments and Eligibility

National Summaries

Lynn B. Ware

Social Welfare Research Institute

Boston College

February 15, 1979

The Effects of Alternative Earnings Disregards  
and EITC on AFDC Payments and Eligibility  
National Summary

This report summarizes the potential impact of two kinds of changes--one actual and one proposed--on AFDC family eligibility and payments. The first change is the 1979 version of the Earned Income Tax Credit (EITC), which allows working families with dependent children\* a tax credit equal to ten percent of the first \$5,000 of annual earnings up to a maximum credit of \$500.\*\* The second change involves three proposed revisions to the AFDC earnings disregard formula.

\*Dependent children are defined in the tax code as children deriving over half of their support from parents or legal guardians. A family that receives more welfare support than earnings would not be eligible for EITC. We assume here, however, that all working AFDC families will use the EITC, even though annualized earnings would be less than annualized AFDC benefits.

\*\*EITC = .10(Annual gross earnings) if gross earnings greater than \$0 but less than \$5,001  
\$500 if gross earnings between \$5,001 and \$6,000  
\$500 - .125 (Y - \$6,000) if gross earnings greater than \$5,000 but less than \$10,000, and Y is the maximum of gross earnings or adjusted gross income (earnings plus nonearned income less tax exempt exclusions).

If gross annual earnings = \$2,500, EITC = \$250; if gross earnings = \$8,000, EITC = \$500 - .125 x \$2,000 = \$250; if gross earnings = \$12,000, EITC = 0. We calculate EITC on an annualized earnings basis then impute monthly, pro-rate EITC to monthly earnings.

The current and revised monthly earnings disregard formulae are:

CURRENT RULE:  $\$30 + \frac{1}{3}(\text{Gross Earnings} - \$30)$

+ Allowable Child Care Expenses

+ Allowable Work-Related Expenses

NEW RULE(1):  $\$60 + .20(\text{Gross Earnings})$

+ Allowable Child Care Expenses

+  $\frac{1}{3}(\text{Gross Earnings} - \$60$

-  $.20(\text{Gross Earnings})$

- Allowable Child Care  
Expenses))

NEW RULE(2):  $\$65 + .25(\text{Gross Earnings})$

+ Allowable Child Care Expenses

+  $\frac{1}{3}(\text{Gross Earnings} - \$60$

-  $.25(\text{Gross Earnings})$

- Allowable Child Care  
Expenses))

NEW RULE(3):  $.20(\text{Gross Earnings})$

+ Allowable Child Care Expenses

+  $\frac{1}{3}(\text{Gross Earnings} - .20(\text{Gross Earnings})$

- Allowable Child Care  
Expenses)).

Under the current rule, actual child care and work-related expenses (allowable by welfare service offices) are disregarded from gross monthly earnings at 100 percent. Under revised rules (1), (2), and (3), allowable child care expenses can only be disregarded against earnings at two-thirds of actual expenses. The work-related disregard is subsumed as a constant fraction of gross earnings: either twenty (.20) or twenty-five (.25) percent.

Relative to the current disregard formula, working families with child care expenses will suffer a loss in earnings disregard equal to one-third actual child care expenses; some of these families may be ineligible under a NEW RULE. Further, families with actual work-related expenses greater than .20 or .25 of gross monthly earnings will also suffer a loss in disregarded earnings. Families with actual work-related expenses, for example, greater than twenty percent of gross earnings will lose an amount equal to (actual expense) - (.20 x gross earnings). On the other hand, families whose actual work-related expenses are less than .20 or .25 will receive an administrative subsidy equal to (.20 x gross earnings) - (actual expense) under NEW RULES (1) and (3), for example. NEW RULE (3) exposes all families with earnings to an additional \$20 of countable earnings, relative to the current rule.

When the monthly estimate of EITC is added to gross earnings, countable earnings and disregards must be recalculated. The increase in countable earnings, ceteris paribus, will render some working families ineligible for AFDC benefits. Other families will remain eligible, but their monthly payment could increase (.20 x (earnings + EITC) is greater than actual work expenses), decrease (actual work expense is greater than .20 x (gross earnings + EITC)), or remain the same (EITC = 0 or the family has reached a payment maximum imposed by some states or the loss in child care disregard is offset by the gain in allowable work-related expenses).

The net impact on working families of the changes proposed depends on the actual distribution of earnings and currently allowable child

and work-related expenses. In a previous examination of NEW RULE (1),<sup>\*</sup> families who worked most were found to be adversely affected, since their actual expenses were greater than those allowed under the proposal.

NEW RULE (1) would be a very effective way to inhibit work effort, especially among families that worked long hours and had relatively high child care and work-related expenses.<sup>\*\*</sup> In this report we re-examine this rule, along with the two other proposals, in conjunction with the 1979 EITC law. A brief review of the Characteristics Survey follows. National summaries on each proposal are then presented in table form, followed by a brief analysis of the impact of these changes.

ALL ESTIMATES PRESENTED BELOW ARE FOR THE MONTH OF MAY 1975,  
GIVEN THE ACTUAL DISTRIBUTIONS OF WORKING AND NONWORKING AFDC  
FAMILIES AND THE ACTUAL DISTRIBUTIONS OF ALLOWABLE CHILD CARE  
AND WORK-RELATED EXPENSES AMONG WORKING FAMILIES. THE EITC  
COMPONENT IN EARNINGS IS BASED ON THE 1979 TAX CODE.

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<sup>\*</sup> See Lynn B. Ware, Eligible Families and Payments Under Alternative AFDC Earnings Disregard Formulae, SWRRI, Boston College, November 5, 1978. See also Lynn Ware, Denise DiPasquale, and Alan Matthews, Child Care and Work-Related Expenses Among Working AFDC Families: Determinants and Uses in Microsimulation, SWRRI, Boston College, February 12, 1979.

The Data Base and Estimation Methodology

The 1975 AFDC Characteristics Survey provides demographic and financial characteristics data on a probability sample of 31,063 AFDC recipient units (families). Weighted by their specific population weights, this sample sums to about 3.4 million families, which is approximately equal to the total caseload reported in Public Assistance Statistics (NCSS, Report A-2, April 1975). The tape is formatted in 80 column card images (records) punched directly from the Survey questionnaires. Seven (7) records summarize family and personal characteristics data for a single recipient unit. Additional records provide detailed information on each adult and child.

The payments simulations below are based on those records which contain information on family size and composition, income (earned and unearned), standards of need, and allowable disregards and payments. Not all of the records on the Tape, however, could be used; some had an error in the data field containing the state standard of need.\* In all instances, the objectionable standards were greater than \$999, a value that could not be accurate according to published data. This error, in turn, affected subsequent data fields on the same record, including income and earnings data. Similar errors affected the record containing data on family employment expenses, disregards and payments. The weighted count of families with these kind of errors -- 11,666, or

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\* Missing data was indicated by 999.

.35 percent of all families -- will be noted as "bad data" in each of the summary tables below. The exclusion of these families from the analysis does not affect the results that follow.

The weighted sum of all remaining families, those whose records showed a standard of need and a monthly payment less than \$1000, will be noted as "good data." These families form the data base for the payments and eligibility simulations. (See Figure 1).

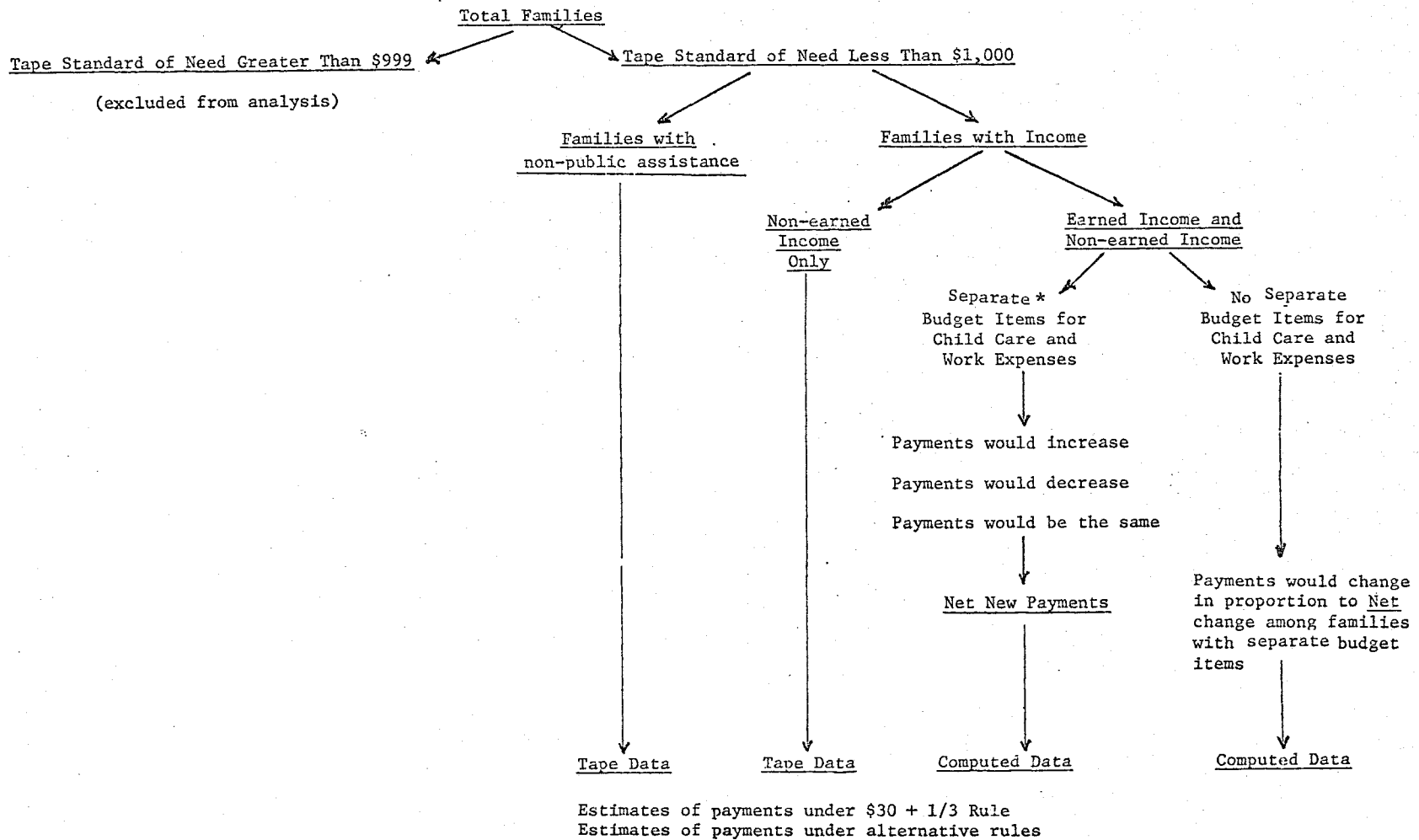
"Good data" families were first divided into two income reciprocity categories: (1) families which reported no non-public assistance income during the survey month; and (2) families which reported some income, earned or unearned, during the survey month. At the time of the Survey, families which had no income (77.22 percent of all "good data") are not affected by changes in the earnings disregard. Payments to these families are transcribed to the state summaries directly from the Tape.

Families which reported some income were then divided into two categories based on type-of-income reciprocity: (1) families which reported only non-earned income during the survey month; and (2) families which reported some earned income (and, perhaps, some unearned income). At the time of the survey, the 476,080 families which had only non-earned income would not be affected by a disregard on earnings or EITC, though such income would be deducted from their standard of need to determine family eligibility and from their payment standard to determine the amount of their AFDC payment. Payments to these families are transcribed to the state summaries directly from the Tape.



Figure 1:

Distribution of Families by Type of Income and Availability of Data and Expenses



\*Total expenses in AFDC budget  
 = 0 or Child Care expense > 0  
 or Work Expenses > 0 when  
 total expenses > 0.

This leaves families with some earned income who may be affected by a change in the earnings disregard formula and EITC. In order to compute new earnings disregards with and without EITC, separate expense data were required for child care and work-related expenses.\* Not all family records included this information. Initial analysis of the impact of the revised disregard rules and EITC, therefore, had to be confined to those families with earned income who either (1) had no reported employment-related expenses,\*\* or (2) had reported total work-related expenses and either child care expenses, or direct work-related expenses, or both. There were 395,979 such families in the 1975 survey (11.78 percent of all "good data"). Payments under New Rules (1), (2), and (3), to the 95,446 families who had earnings and employment expenses, but no separate child care and work related expenses, were estimated by assuming that their new payments would change in the same proportion as net payments changed among families with separate expense data.

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\* Earnings disregards were also calculated under the current rule. These disregards were used to calculate "benchmark payments" to estimate the impact on families of changes in payments based on the new disregards. Families whose payments would decrease under a new disregard rule, for example, are families whose computed new rule payment would be less than their computed current rule payment. Actual payments were also given on the 1975 Tape. These payments were then used to "adjust" new rule payments to a "tape basis," in order to compare payments under current and new rules. This last correction was necessary because the actual payment noted on the TApe sometimes differed from that calculated according to current rules. Over-payment and under-payment errors may account for the discrepancy.

\*\* Families with earnings but no employment-related expenses would be affected by New Rules (1), (2), and (3), since work-related expenses are taken at 20 percent of earnings, regardless of actual expenses.

Information from NCSS Series D-2 on state payment standards, largest amount paid, and other payment maximums were used to calculate payments under the current and alternative disregard formulae for families with earnings and separate expense items. At this point it was noted whether the working family would remain eligible for benefits. It was also noted whether the payment under a NEW RULE would be smaller, larger, or remain the same. Then, summaries of program and family characteristics were organized under three headings on the summary tables below. (See Flow Chart, Appendix A.)

In each summary table, families eligible under the old disregard formula have their characteristics summarized under the column marked OLD. Under the NEW column are families which remained eligible for benefits under a new rule. Under each of the DECREASE, INCREASE, NOT CHANGE summaries, the difference between total OLD and NEW working families is the number of families rendered ineligible under a new rule. The total number of ineligible families is reported in the national summary under INELIGIBLE.

Payments are reported for eligible families under OLD and NEW RULES on two different bases: for the current program actual tape payments are reported, as well as payments calculated based on family characteristics and appended NCSS payments standards. Payments under a new rule are also calculated. For purposes of aggregating across different payment groups (INCREASE, DECREASE, NOT CHANGE), and for purposes of comparing the change in payments under alternative disregard formulae, total and average payments under a NEW RULE were adjusted to a "tape basis." This adjustment involved multiplying the computed

NEW RULE payment by the ratio of current rule actual payments (TAPE)  
to current rule computed payments:

$$\begin{array}{lcl} \text{Adjusted NEW RULE payments} & & \text{Computed} \\ \text{to Families with Separate} & = & \text{NEW RULE} \\ \text{Expense Data} & & \text{Payments} \end{array} \times \frac{\text{Current Rule Payments (TAPE)}}{\text{Current Rule Payments (COMPUTED)}}$$

Finally, payments under NEW RULES (1), (2), and (3) to families with earnings but no separate expense data were calculated by multiplying actual current rule payments (TAPE) by the proportional change in net NEW RULE payments among families with separate expense data. Net NEW RULE payments includes the effects of families rendered ineligible and the impact on payments among families remaining eligible (some payments increased, some decreased, some remained the same).

Total payments to all families were then summed and presented in the summary table at the bottom of the table. Under the NEW RULES payments to families with no income and payments to families with other nonearned income only are taken directly from the TAPE. Payments to working families are reported on a TAPE ADJUSTED basis.

The following six tables present the national summaries for the alternative disregard formulae, with and without the EITC. There are a total of 3,361,988 families with "good data" on the 1975 AFDC Characteristics Survey. A total of 2,394,483 families had no reported income during the survey month and their actual TAPE payments were \$568.6 Million; these families are not affected by the NEW RULES or by EITC. Likewise, the 476,080 families with only nonearned income

Table 1:

US: DISREGARD = \$60+2(EARNINGS) + CHILD CARE EXPENSES + .13(REMAINDER)

TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)		3373654						
FAMILIES WITH "BAD DATA"		11666						
FAMILIES WITH "GOOD DATA"		3361988						
ADULTS REPORTED NO INCOME								
FAMILIES		2394483						
TOTAL PAYMENTS (TAPE (\$000))		568578.3						
AVERAGE PAYMENT (TAPE (\$))		237.45						
ADULTS REPORTED INCOME								
NONEARNED INCOME ONLY								
FAMILIES		476080						
TOTAL PAYMENTS (TAPE (\$000))		71714.5						
AVERAGE PAYMENTS (TAPE (\$))		150.64						
SOME EARNED INCOME								
SEPERATE EXPENSE DATA								
			DECREASE		INCREASE		NOT CHANGE	
			OLD	NEW	OLD	NEW	OLD	NEW
FAMILIES (TOTAL FOR "OLD")		395979	191538	177468	146443	146443	57998	57066
STANDARD OF NEED (TAPE (\$))			288.64	292.80	290.79	290.79	296.69	297.24
PAYMENT STANDARD (COMPUTED (\$))			275.26	278.96	269.78	269.78	283.73	284.46
LARGEST AMOUNT PAID (COMPUTED (\$))			253.43	255.91	254.17	254.91	173.71	172.84
NONEARNED INCOME (TAPE (\$))		13.72	11.95	11.95	13.07	13.07	21.23	21.23
EARNED INCOME (AVG = TAPE "OLD" (\$))		301.49	399.33	383.48	222.90	222.90	176.81	172.84
ALLOWABLE EXPENSES:								
CHILD CARE (\$)			43.85	29.61	11.02	7.38	14.45	9.45
CHANGE: NEW-OLD (\$)				-14.24		-3.64		-5.00
WORK-RELATED (\$)			105.78	76.69	23.67	44.58	38.22	34.57
CHANGE: NEW-OLD (\$)				-29.08		20.91		-3.66
EARNINGS DISREGARD (\$)			302.56	248.54	129.08	149.61	128.26	120.36
CHANGE (\$)				-54.02		20.53		-7.90
OTHER ALLOWABLE DISREGARDS (TAPE (\$))			3.91	3.84	4.79	4.79	7.96	7.13
TOTAL DISREGARD (\$)			306.47	252.38	133.87	154.40	136.22	127.49
PAYMENTS:								
TOTAL (TAPE (\$000))		62896.6	30483.0		23398.2		9015.4	
AVERAGE (TAPE (\$))		158.84	159.15		159.78		155.44	
TOTAL (COMPUTED (\$000))			31736.6	23847.8	24008.4	26822.4	9204.3	9204.3
AVERAGE (COMPUTED (\$))			165.69	134.38	163.94	183.16	158.70	161.29
CHANGE: NEW-OLD (\$)				-31.32		19.22		2.59
TOTAL (ADJUSTED TO TAPE (\$000))		58041.9		22862.8		26163.7		9015.4
AVERAGE (ADJUSTED TO TAPE (\$))		152.35		128.83		178.66		157.28
NO SEPERATE EXPENSE DATA								
FAMILIES		95446						
PAYMENTS:								
TOTAL (TAPE (\$000))		14558.6						
AVERAGE (TAPE (\$))		152.53						
TOTAL (ADJUSTED TO TAPE (\$000))		13586.1						
AVERAGE (ADJUSTED TO TAPE (\$))		142.34						
SUMMARY OF NEW-RULE IMPACT								
OLD RULE								
FAMILIES		3361988						
INELIGIBLE		368						
TOTAL PAYMENTS (TAPE (\$000))		717736.2						
AVERAGE PAYMENTS (TAPE (\$))		213.49						
NEW RULE								
FAMILIES		3346986						
INELIGIBLE		15002						
TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))		711922.4						
AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))		212.71						
CHANGE								
TOTAL PAYMENTS (\$000)		-5813.8						
AVERAGE PAYMENTS (\$)		-0.78						
PERCENT (PAYMENTS)		-0.8100						

Table 2:

US: DISREGARD = \$60+.2(EARNINGS+EITC)+CHILD CARE EXPENSES+.33(REMAINDER)

TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)		3373654						
FAMILIES WITH "BAD DATA"		11666						
FAMILIES WITH "GOOD DATA"		3361988						
ADULTS REPORTED NO INCOME								
FAMILIES		2394483						
TOTAL PAYMENTS (TAPE (\$000))		568578.3						
AVERAGE PAYMENT (TAPE (\$))		237.45						
ADULTS REPORTED INCOME								
NONEARNED INCOME ONLY								
FAMILIES		476080						
TOTAL PAYMENTS (TAPE (\$000))		71714.5						
AVERAGE PAYMENTS (TAPE (\$))		150.64						
SOME EARNED INCOME								
SEPERATE EXPENSE DATA								
			DECREASE		INCREASE		NOT CHANGE	
			OLD	NEW	OLD	NEW	OLD	NEW
FAMILIES (TOTAL FOR "OLD")		395979	237250	216174	105865	105865	52864	51588
STANDARD OF NEED (TAPE (\$))			290.80	296.71	288.51	288.51	293.98	294.67
PAYMENT STANDARD (COMPUTED (\$))			276.30	281.56	267.20	267.20	280.87	281.82
LARGEST AMOUNT PAID (COMPUTED (\$))			252.76	256.77	252.93	253.60	172.03	170.47
NONEARNED INCOME (TAPE (\$))		13.72	12.30	12.30	13.51	13.51	20.54	20.54
EARNED INCOME (AVG * TAPE "OLD" (\$))		301.49	383.28	396.55	185.67	202.97	166.40	173.81
EITC COMPONENT IN EARNINGS (\$)				30.24		17.30		14.75
ALLOWABLE EXPENSES:								
CHILD CARE (\$)			39.90	27.08	7.59	5.09	10.97	7.10
CHANGE: NEW-OLD (\$)				-12.82		-2.51		-3.87
WORK-RELATED (\$)			94.93	79.31	14.40	40.59	35.90	34.76
CHANGE: NEW-OLD (\$)				-15.62		26.20		-1.13
EARNINGS DISREGARD (\$)			282.43	252.11	103.95	138.00	118.82	119.12
(CHANGE (\$))				-30.33		34.05		0.29
OTHER ALLOWABLE DISREGARDS (TAPE (\$))			4.05	4.09	4.80	4.80	8.40	7.55
TOTAL DISREGARD (\$)			286.48	256.20	108.75	142.80	127.23	126.67
PAYMENTS:								
TOTAL (TAPE (\$000))		62896.6	37057.8		17723.9		8114.9	
AVERAGE (TAPE (\$))		158.84	156.20		167.42		153.51	
TOTAL (COMPUTED (\$000))			38486.2	27574.4	18256.4	19933.1	8206.8	8206.8
AVERAGE (COMPUTED (\$))			162.22	127.56	172.45	188.29	155.24	159.08
CHANGE: NEW-OLD (\$)				-34.66		15.84		3.84
TOTAL (ADJUSTED TO TAPE (\$000))		53961.0		26488.8		19357.3		8114.9
AVERAGE (ADJUSTED TO TAPE (\$))		144.42		122.53		182.85		157.30
NO SEPERATE EXPENSE DATA								
FAMILIES		95446						
PAYMENTS:								
TOTAL (TAPE (\$000))		14558.6						
AVERAGE (TAPE (\$))		152.53						
TOTAL (ADJUSTED TO TAPE (\$000))		12742.1						
AVERAGE (ADJUSTED TO TAPE (\$))		133.50						
SUMMARY OF NEW-RULE IMPACT								
OLD RULE								
FAMILIES		3361988						
INELIGIBLE		368						
TOTAL PAYMENTS (TAPE (\$000))		717736.2						
AVERAGE PAYMENTS (TAPE (\$))		213.49						
NEW RULE								
FAMILIES		3339636						
INELIGIBLE		22352						
TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))		706996.9						
AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))		211.70						
CHANGE								
TOTAL PAYMENTS (\$000)		-10739.2						
AVERAGE PAYMENTS (\$)		-1.79						
PERCENT (PAYMENTS)		-1.4963						

Table 3:

US: DISREGARD = \$65+.25(EARNINGS) + CHILD CARE EXPENSES+.33(REMAINDER)

1	TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)	3373654							
	FAMILIES WITH "BAD DATA"	11666							
	FAMILIES WITH "GOOD DATA"	3361988							
	ADULTS REPORTED NO INCOME								
	FAMILIES	2394483							
2	TOTAL PAYMENTS (TAPE (\$000))	568578.3							
	AVERAGE PAYMENT (TAPE (\$))	237.45							
	ADULTS REPORTED INCOME								
3	NONEARNED INCOME ONLY								
	FAMILIES	476080							
	TOTAL PAYMENTS (TAPE (\$000))	71714.5							
4	AVERAGE PAYMENTS (TAPE (\$))	150.64							
	SOME EARNED INCOME								
	SEPERATE EXPENSE DATA								
			DECREASE		INCREASE		NOT CHANGE		
			OLD	NEW	OLD	NEW	OLD	NEW	
5	FAMILIES (TOTAL FOR "OLD")	395979	146641	139475	186223	186144	63115	62242	
	STANDARD OF NEED (TAPE (\$))		285.81	288.45	291.82	291.88	298.22	298.60	
	PAYMENT STANDARD (COMPUTED (\$))		272.33	274.67	272.28	272.33	285.95	286.50	
6	LARGEST AMOUNT PAID (COMPUTED (\$))		251.29	252.43	256.50	257.47	177.81	177.08	
	NONEARNED INCOME (TAPE (\$))	13.72	11.34	11.34	13.26	13.26	20.63	20.63	
	EARNED INCOME (AVG = TAPE "OLD" (\$))	301.49	423.83	413.23	245.40	245.32	182.74	179.45	
7	ALLOWABLE EXPENSES:								
	CHILD CARE (\$)		49.20	33.39	13.73	9.20	17.10	11.30	
	CHANGE: NEW-OLD (\$)			-15.81		-4.53		-5.80	
8	WORK-RELATED (\$)		118.78	103.31	32.17	61.33	40.18	44.86	
	CHANGE: NEW-OLD (\$)			-15.47		29.16		4.69	
	EARNINGS DISREGARD (\$)		329.03	283.21	147.82	172.95	134.96	132.70	
	(CHANGE (\$))			-45.82		25.13		-2.26	
9	OTHER ALLOWABLE DISREGARDS (TAPE (\$))		3.10	3.00	5.23	5.24	7.64	6.87	
	TOTAL DISREGARD (\$)		332.13	286.22	153.05	178.19	142.60	139.57	
10	PAYMENTS:								
	TOTAL (TAPE (\$000))	62896.6	23144.9		29591.9		10159.8		
	AVERAGE (TAPE (\$))	158.84	157.83		158.91		160.97		
11	TOTAL (COMPUTED (\$000))		24111.2	18706.6	30386.7	34772.3	10451.5	10451.5	
	AVERAGE (COMPUTED (\$))		164.42	134.12	163.17	186.80	165.59	167.92	
	CHANGE: NEW-OLD (\$)			-30.30		23.63		2.32	
12	TOTAL (ADJUSTED TO TAPE (\$000))	61984.4		17919.6		33905.1		10159.8	
	AVERAGE (ADJUSTED TO TAPE (\$))	159.81		128.48		182.14		163.23	
13	NO SEPERATE EXPENSE DATA								
	FAMILIES	95446							
	PAYMENTS:								
	TOTAL (TAPE (\$000))	14558.6							
14	AVERAGE (TAPE (\$))	152.53							
	TOTAL (ADJUSTED TO TAPE (\$000))	14407.8							
	AVERAGE (ADJUSTED TO TAPE (\$))	150.95							
15	SUMMARY OF NEW-RULE IMPACT								
	OLD RULE								
	FAMILIES	3361988							
16	INELIGIBLE	368							
	TOTAL PAYMENTS (TAPE (\$000))	717736.2							
	AVERAGE PAYMENTS (TAPE (\$))	213.49							
17	NEW RULE								
	FAMILIES	3353870							
	INELIGIBLE	8118							
18	TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))	716686.6							
	AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))	213.69							
19	CHANGE								
	TOTAL PAYMENTS (\$000)	-1049.6							
	AVERAGE PAYMENTS (\$)	0.20							
	PERCENT (PAYMENTS)	-0.1462							

Table 4:

US:  $\text{DISREGARD} = .65 + .25(\text{EARNINGS} + \text{EITC}) + \text{CHILD CARE EXPENSES} + .33(\text{REMAINDER})$

TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)		3373654				
FAMILIES WITH "BAD DATA"		11666				
FAMILIES WITH "GOOD DATA"		3361988				
ADULTS REPORTED NO INCOME						
FAMILIES		2394483				
TOTAL PAYMENTS (TAPE (\$000))		568578.3				
AVERAGE PAYMENT (TAPE (\$))		237.45				
ADULTS REPORTED INCOME						
NONEARNED INCOME ONLY						
FAMILIES		476080				
TOTAL PAYMENTS (TAPE (\$000))		71714.5	PAYMENTS WOULD:			
AVERAGE PAYMENTS (TAPE (\$))		150.64				
SOME EARNED INCOME						
SEPERATE EXPENSE DATA			DECREASE		INCREASE	
			OLD	NEW	OLD	NEW
FAMILIES (TOTAL FOR "OLD")		395979	193098	180978	144552	144552
STANDARD OF NEED (TAPE (\$))			288.37	292.53	291.58	291.58
PAYMENT STANDARD (COMPUTED (\$))			275.04	278.74	270.24	270.24
LARGEST AMOUNT PAID (COMPUTED (\$))			252.63	255.13	254.91	255.67
NONEARNED INCOME (TAPE (\$))		13.72	11.97	11.97	13.10	13.10
EARNED INCOME (AVG = TAPE "OLD" (\$))		301.49	399.63	418.61	221.92	242.24
EITC COMPONENT IN EARNINGS (\$)				31.00		20.32
ALLOWABLE EXPENSES:						
CHILD CARE (\$)			43.73	29.59	10.96	7.35
CHANGE: NEW-OLD (\$)				-14.13		-3.62
WORK-RELATED (\$)			105.48	104.65	23.36	60.56
CHANGE: NEW-OLD (\$)				-0.83		37.20
EARNINGS DISREGARD (\$)			302.24	282.22	128.39	169.57
(CHANGE (\$))				-20.02		41.18
OTHER ALLOWABLE DISREGARDS (TAPE (\$))			3.87	3.76	4.88	4.88
TOTAL DISREGARD (\$)			306.10	285.99	133.27	174.45
PAYMENTS:						
TOTAL (TAPE (\$000))		62896.6	30555.9		23189.4	
AVERAGE (TAPE (\$))		158.84	158.24		160.42	
TOTAL (COMPUTED (\$000))			31803.3	24052.9	23810.5	26632.6
AVERAGE (COMPUTED (\$))			164.70	132.91	164.72	184.24
CHANGE: NEW-OLD (\$)				-31.80		19.52
TOTAL (ADJUSTED TO TAPE (\$000))		58171.1		23057.9		25961.9
AVERAGE (ADJUSTED TO TAPE (\$))		151.91		127.41		179.60
NO SEPERATE EXPENSE DATA						
FAMILIES		95446				
PAYMENTS:						
TOTAL (TAPE (\$000))		14558.6				
AVERAGE (TAPE (\$))		152.53				
TOTAL (ADJUSTED TO TAPE (\$000))		13615.8				
AVERAGE (ADJUSTED TO TAPE (\$))		142.65				
SUMMARY OF NEW-RULE IMPACT						
OLD RULE						
FAMILIES		3361988				
INELIGIBLE		368				
TOTAL PAYMENTS (TAPE (\$000))		717736.2				
AVERAGE PAYMENTS (TAPE (\$))		213.49				
NEW RULE						
FAMILIES		3348936				
INELIGIBLE		13052				
TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))		712080.9				
AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))		212.63				
CHANGE						
TOTAL PAYMENTS (\$000)		-5655.3				
AVERAGE PAYMENTS (\$)		-0.86				
PERCENT (PAYMENTS)		-0.7879				



Table 5:

JS: DISREGARD = 20(EARNINGS) + CHILD CARE EXPENSES + 33(REMAINDER)

TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)		3373654						
FAMILIES WITH "BAD DATA"		11666						
FAMILIES WITH "GOOD DATA"		3361988						
ADULTS REPORTED NO INCOME								
FAMILIES		2394483						
TOTAL PAYMENTS (TAPE (\$000))		568578.3						
AVERAGE PAYMENT (TAPE (\$))		237.45						
ADULTS REPORTED INCOME								
NONEARNED INCOME ONLY								
FAMILIES		476080						
TOTAL PAYMENTS (TAPE (\$000))		71714.5						
AVERAGE PAYMENTS (TAPE (\$))		150.64						
SOME EARNED INCOME								
SEPERATE EXPENSE DATA								
FAMILIES (TOTAL FOR "OLD")		395979	DECREASE		INCREASE		NOT CHANGE	
STANDARD OF NEED (TAPE (\$))			OLD	NEW	OLD	NEW	OLD	NEW
PAYMENT STANDARD (COMPUTED (\$))			352841	318277	15008	15008	28130	26191
LARGEST AMOUNT PAID (COMPUTED (\$))			286.04	292.38	345.35	345.35	318.80	325.15
NONEARNED INCOME (TAPE (\$))		13.72	269.04	274.48	332.49	332.49	311.65	319.22
EARNED INCOME (AVG = TAPE "OLD" (\$))		301.49	247.00	252.15	318.46	318.87	138.88	133.34
ALLOWABLE EXPENSES:			13.55	13.55	6.86	6.86	19.55	19.55
CHILD CARE (\$)			29.65	19.43	4.71	3.15	11.28	7.19
CHANGE: NEW-OLD (\$)				-10.23		-1.55		-4.10
WORK-RELATED (\$)			69.04	56.64	6.01	64.41	53.16	44.05
CHANGE: NEW-OLD (\$)				-12.40		58.40		-9.11
EARNINGS DISREGARD (\$)			220.33	151.49	138.06	153.42	159.33	109.90
(CHANGE (\$))				-68.84		15.36		-49.43
OTHER ALLOWABLE DISREGARDS (TAPE (\$))			3.66	3.54	15.73	15.73	13.65	12.49
TOTAL DISREGARD (\$)			223.99	155.03	153.78	169.14	172.98	122.39
PAYMENTS:								
TOTAL (TAPE (\$000))		62896.6	57340.6		2201.9		3354.1	
AVERAGE (TAPE (\$))		158.84	162.51		146.72		119.24	
TOTAL (COMPUTED (\$000))			59219.7	41720.7	2337.0	2558.6	3392.4	3392.4
AVERAGE (COMPUTED (\$))			167.84	131.08	155.72	170.48	120.60	129.53
CHANGE: NEW-OLD (\$)				-36.75		14.77		8.93
TOTAL (ADJUSTED TO TAPE (\$000))		46013.9		40342.9		2413.8		3257.1
AVERAGE (ADJUSTED TO TAPE (\$))		128.00		126.75		160.84		124.36
NO SEPERATE EXPENSE DATA								
FAMILIES		95446						
PAYMENTS:								
TOTAL (TAPE (\$000))		14558.6						
AVERAGE (TAPE (\$))		152.53						
TOTAL (ADJUSTED TO TAPE (\$000))		11037.3						
AVERAGE (ADJUSTED TO TAPE (\$))		115.64						
SUMMARY OF NEW-RULE IMPACT								
OLD RULE								
FAMILIES		3361988						
INELIGIBLE		368						
TOTAL PAYMENTS (TAPE (\$000))		717736.2						
AVERAGE PAYMENTS (TAPE (\$))		213.49						
NEW RULE								
FAMILIES		3325485						
INELIGIBLE		36503						
TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))		697345.8						
AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))		209.70						
CHANGE								
TOTAL PAYMENTS (\$000)		-20390.4						
AVERAGE PAYMENTS (\$)		-3.79						
PERCENT (PAYMENTS)		-2.8409						

Table 6:

US: DISREGARD = .20(EARNINGS+ETC)+CHILD CARE EXPENSES+.33(REMAINDER)

1	TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)	3373654							
	FAMILIES WITH "BAD DATA"	11666							
	FAMILIES WITH "GOOD DATA"	3361988							
2	ADULTS REPORTED NO INCOME								
	FAMILIES	2394483							
	TOTAL PAYMENTS (TAPE (\$000))	568578.3							
	AVERAGE PAYMENT (TAPE (\$))	237.45							
3	ADULTS REPORTED INCOME								
	NON-EARNED INCOME ONLY								
	FAMILIES	476080							
	TOTAL PAYMENTS (TAPE (\$000))	71714.5							
	AVERAGE PAYMENTS (TAPE (\$))	150.64							
4	SOME EARNED INCOME								
	SEPERATE EXPENSE DATA								
	FAMILIES (TOTAL FOR "OLD")	395979	365719	314336	5168	5168	25092	23060	
	STANDARD OF NEED (TAPE (\$))		287.39	296.79	369.59	369.59	321.31	329.10	
	PAYMENT STANDARD (COMPUTED (\$))		270.53	278.67	359.14	359.14	314.51	323.93	
	LARGEST AMOUNT PAID (COMPUTED (\$))		247.53	255.44	337.80	338.03	142.13	135.95	
	NON-EARNED INCOME (TAPE (\$))	13.72	13.36	13.36	5.47	5.47	20.79	20.79	
	EARNED INCOME (AVG = TAPE "OLD" (\$))	301.49	304.84	297.73	423.59	456.47	227.57	229.01	
	EITC COMPONENT IN EARNINGS (\$)			23.68		32.88		19.39	
	ALLOWABLE EXPENSES:								
	CHILD CARE (\$)		28.89	18.64	2.51	1.68	10.91	6.90	
	CHANGE: NEW-OLD (\$)			-10.25		-0.83		-4.02	
	WORK-RELATED (\$)		67.36	59.55	3.82	91.29	51.42	45.80	
	CHANGE: NEW-OLD (\$)			-7.81		87.48		-5.62	
	EARNINGS DISREGARD (\$)		217.52	157.48	167.52	216.69	154.46	113.73	
	CHANGE (\$)			-60.04		47.17		-40.72	
	OTHER ALLOWABLE DISREGARDS (TAPE (\$))		3.75	3.70	33.64	33.64	14.59	13.40	
	TOTAL DISREGARD (\$)		221.28	161.18	201.16	248.33	169.04	127.13	
	PAYMENTS:								
	TOTAL (TAPE (\$000))	62896.3	59249.4		620.1		3027.1		
	AVERAGE (TAPE (\$))	158.84	162.01		119.99		120.64		
	TOTAL (COMPUTED (\$000))		61226.9	39986.0	671.7	741.5	3050.6	3050.6	
	AVERAGE (COMPUTED (\$))		167.42	127.21	129.98	143.48	121.57	132.29	
	CHANGE: NEW-OLD (\$)			-40.21		13.50		10.71	
	TOTAL (ADJUSTED TO TAPE (\$000))	42236.9		38617.4		690.2		2929.4	
	AVERAGE (ADJUSTED TO TAPE (\$))	123.30		122.85		133.55		127.02	
13	NO SEPERATE EXPENSE DATA								
	FAMILIES	95446							
	PAYMENTS:								
	TOTAL (TAPE (\$000))	14558.6							
	AVERAGE (TAPE (\$))	152.53							
	TOTAL (ADJUSTED TO TAPE (\$000))	10246.7							
	AVERAGE (ADJUSTED TO TAPE (\$))	107.36							
15	SUMMARY OF NEW-RULE IMPACT								
	OLD RULE								
	FAMILIES	3361988							
	INELIGIBLE	368							
	TOTAL PAYMENTS (TAPE (\$000))	717736.2							
	AVERAGE PAYMENTS (TAPE (\$))	213.49							
	NEW RULE								
	FAMILIES	3308573							
	INELIGIBLE	53415							
	TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))	692777.4							
	AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))	209.39							
17	CHANGE								
	TOTAL PAYMENTS (\$000)	-24958.7							
	AVERAGE PAYMENTS (\$)	-4.10							
	PERCENT (PAYMENTS)	-3.4774							

ADDENDUM 2/28/79

US: DISREGARD = \$60 OR .20(EARNINGS)+CHILD CARE EXPENSES+.33(REMAINDER)

1	TOTAL NUMBER OF FAMILIES ON TAPE (WEIGHTED)	3373654							
	FAMILIES WITH "BAD DATA"	11666							
	FAMILIES WITH "GOOD DATA"	3361988							
2	ADULTS REPORTED NO INCOME								
	FAMILIES	2394483							
	TOTAL PAYMENTS (TAPE (\$000))	568578.3							
	AVERAGE PAYMENT (TAPE (\$))	237.45							
3	ADULTS REPORTED INCOME								
	NO EARNED INCOME ONLY								
	FAMILIES	476080							
	TOTAL PAYMENTS (TAPE (\$000))	71714.5							
	AVERAGE PAYMENTS (TAPE (\$))	150.64							
4	SOME EARNED INCOME								
	SEPERATE EXPENSE DATA								
			DECREASE		INCREASE		NOT CHANGE		
			OLD	NEW	OLD	NEW	OLD	NEW	
5	FAMILIES (TOTAL FOR "OLD")	395979	286879	253512	61226	61226	47874	46080	
	STANDARD OF NEED (TAPE (\$))		289.17	297.07	296.44	296.44	291.80	293.77	
	PAYMENT STANDARD (COMPUTED (\$))		272.27	279.13	281.24	281.24	279.00	281.38	
	LARGEST AMOUNT PAID (COMPUTED (\$))		248.11	254.27	269.45	270.12	170.55	168.83	
	NO EARNED INCOME (TAPE (\$))	13.72	11.90	11.90	16.77	16.77	20.75	20.75	
	EARNED INCOME (AVG = TAPE "OLD" (\$))	301.49	358.67	336.53	146.70	146.70	156.82	145.36	
7	ALLOWABLE EXPENSES:								
	CHILD CARE (\$)		35.72	23.83	2.93	1.96	8.84	5.62	
	CHANGE: NEW-OLD (\$)			-11.89		-0.97		-3.22	
9	WORK-RELATED (\$)		83.72	76.43	5.00	63.48	33.85	64.11	
	CHANGE: NEW-OLD (\$)			-7.29		58.48		30.26	
10	EARNINGS DISREGARD (\$)		258.88	186.84	76.83	91.09	111.16	88.15	
	(CHANGE (\$))			-72.04		14.25		-23.01	
	OTHER ALLOWABLE DISREGARDS (TAPE (\$))		4.06	3.96	5.53	5.53	8.53	7.62	
	TOTAL DISREGARD (\$)		262.95	190.80	82.36	96.62	119.69	95.78	
11	PAYMENTS:								
	TOTAL (TAPE (\$000))	62896.6	44110.3		11542.7		7243.7		
	AVERAGE (TAPE (\$))	158.84	153.76		188.53		151.31		
	TOTAL (COMPUTED (\$000))		45657.2	30544.8	11992.5	12818.4	7299.6	7299.6	
	AVERAGE (COMPUTED (\$))		159.15	120.49	195.87	209.36	152.47	158.41	
	CHANGE: NEW-OLD (\$)			-38.66		13.49		5.94	
12	TOTAL (ADJUSTED TO TAPE (\$000))	49054.3		29471.3		12341.2		7241.8	
	AVERAGE (ADJUSTED TO TAPE (\$))	135.95		116.25		201.57		157.16	
13	NO SEPERATE EXPENSE DATA								
	FAMILIES	95446							
	PAYMENTS:								
	TOTAL (TAPE (\$000))	14558.6							
14	AVERAGE (TAPE (\$))	152.53							
	TOTAL (ADJUSTED TO TAPE (\$000))	11710.0							
	AVERAGE (ADJUSTED TO TAPE (\$))	122.69							
15	SUMMARY OF NEW-RULE IMPACT								
	OLD RULE								
	FAMILIES	3361988							
	INELIGIBLE	368							
	TOTAL PAYMENTS (TAPE (\$000))	717736.2							
	AVERAGE PAYMENTS (TAPE (\$))	213.49							
16	NEW RULE								
	FAMILIES	3326827							
	INELIGIBLE	35161							
17	TOTAL PAYMENTS (ADJUSTED TO TAPE (\$000))	701058.3							
	AVERAGE PAYMENTS (ADJUSTED TO TAPE (\$))	210.73							
18	CHANGE								
	TOTAL PAYMENTS (\$000)	-16677.9							
	AVERAGE PAYMENTS (\$)	-2.76							
	PERCENT (PAYMENTS)	-2.3237							

would receive \$71.7 Million under both OLD and NEW disregard formulae.

Tape adjusted estimates of payments received by working families under the three alternative disregard formulae are then added to these payments to form an estimate of payments under the NEW RULES. These payments are computed with and without EITC. Total actual tape payments are also added to payments to nonworking families to form actual total payments under the OLD rule. The summary at the bottom of each table compares the overall impact of the new revisions.

Table 7 summarizes the impact of program changes in terms of the number of families who would be adversely affected by each of the NEW RULES. There are two different groups considered:

- (1) families rendered ineligible for AFDC benefits
- (2) families who remain eligible, but would realize a decrease in payment.

Separate sections are provided for working families who have differentiated expense data and for families who do not. The latter are assumed to have the same ineligibility rate as working families with separate expense data, and are assumed to have the same proportion suffering payments declines among families remaining eligible for benefits. The combined impact is presented at the bottom of Table 7.

Between two and 13 percent of all eligible families (March 1975) would be ineligible under the NEW RULES. Fewer families are ineligible under NEW RULE (2), more families are ineligible under NEW RULE (3). Adding EITC to gross earnings increases the number of ineligible families in each NEW RULE simulation. Among families who remain eligible, between 47 and 92 percent would suffer a decline in payment (between

CORPUS

2/15/79

Table 7:

<u>Program Summaries</u>	<u>60+.20Earn+CC +1/3(Remaind)</u>		<u>65+.25Earn+CC +1/3(Remaind)</u>		<u>.20Earn+CC +1/3(Remaind)</u>	
	<u>NO EITC</u>	<u>WITH EITC</u>	<u>NO EITC</u>	<u>WITH EITC</u>	<u>NO EITC</u>	<u>WITH EITC</u>
Families With Separate Budget Items for Child Care And Work Related Expenses						
<u>Total working</u>	395979	395979	395979	395979	395979	395979
<u>No Longer Eligible</u>	15002	22352	8118	13052	36503	53415
% Ineligible	3.78%	5.64%	2.05%	3.30%	9.22%	13.49%
<u>Still Eligible</u>	380977	373627	387861	382927	359476	342564
% Still Eligible	96.22%	94.36%	97.95%	96.70%	90.78%	86.51%
<u>Payments Declined</u>	177468	216174	139475	180978	318277	314336
% Payments Declined	46.58%	57.67%	35.96%	47.26%	83.12%	91.76%
Payments Decrease (Tape adjusted \$000's)	7620.2	10569.0	5225.3	7498.0	16997.7	20632.0
% Payments Declined	25.00%	28.52%	22.58%	24.54%	29.64%	34.82%
Families Without Separate Budget Items for Child Care and Work Related Expenses						
<u>Total Working</u>	95446	95446	95446	95446	95446	95446
<u>No Longer Eligible</u>	3608	5383	1957	3450	8800	12875
<u>Still Eligible</u>	91838	90063	93489	91996	86646	82571
<u>Payments Declined</u>	42778	51939	33619	43477	72020	75767
Total Families Ineligible	18610	<del>46345</del>	10075	16502	45303	66290
Total Families Eligible, but Payments Declined	220246	268113	173094	224455	390297	390103
Total Families Adversely Affected	238856	314458	183169	240957	435600	456393

-18a-

Table 7:

Program Summaries

MAX of \$60  
or .2EARN +  
+1/3(Remaind)

NO  
EITC

Families With Separate  
Budget Items for  
Child Care And Work  
Related Expenses

<u>Total working</u>	395,979
<u>No Longer Eligible</u>	35,161
% Ineligible	8.88%
<u>Still Eligible</u>	360,818
% Still Eligible	91.12%
<u>Payments Declined</u>	253,512
% Payments Declined	70.26%
Payments Decrease (Tape adjusted \$000's)	14,639.0
% Payments Declined	-33.19%

Families Without Separate  
Budget Items for  
Child Care and Work  
Related Expenses

<u>Total Working</u>	95,446
<u>No Longer Eligible</u>	8,476
<u>Still Eligible</u>	86,970
<u>Payments Declined</u>	61,105

---

Total Families Ineligible 43,637

Total Families Eligible,  
but Payments Declined 314,617

Total Families Adversely  
Affected 358,254

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\$30 and \$40, on average). Working families with separate expense data would receive between \$5 and \$21 Million fewer dollars for this survey month. Among all working families, between 183,000 and 456,000 would be adversely affected by the NEW RULES. Further, an examination of the individual national summary tables indicates that families which have higher earnings and higher child care and work-related expenses (under the current disregard formula) are most likely to be hurt by the new disregard rules. Gainers benefit because of the work-expense subsidy.

Total monthly savings from the new disregard formulae and EITC vary between \$1.0 and \$25.0 Million.





APPENDIX A

FLOW CHART OF SUMMARY TABLES

TOTAL FAMILIES FROM  
CHARACTERISTICS TAPE

GOOD DATA FAMILIES

CHECK FOR INCOME SOURCES

NO INCOME -- COUNT TOTAL FAMILIES  
COUNT TOTAL PAYMENTS  
COMPUTE AVERAGE PAYMENTS

NONEARNED INCOME ONLY -- COUNT TOTAL FAMILIES  
COUNT TOTAL PAYMENTS  
COMPUTE AVERAGE PAYMENT

SOME EARNED INCOME -- DIFFERENTIATED EXPENSE ITEMS FOR CHILD CARE  
AND WORK-RELATED EXPNESES

NO -- COUNT TOTAL FAMILIES  
COUNT TOTAL PAYMENTS  
COMPUTE AVERAGE PAYMENTS  
ADJUST PAYMENTS ACCORDING TO  
NET CHANGE IN PAYMENTS AMONG  
WORKING FAMILIES WITH SEPARATE  
EXPENSE DATA

YES -- COUNT TOTAL FAMILIES  
COMPUTE OLD RULE AND NEW RULE PAYMENT  
COUNT TOTAL PAYMENTS (OLD RULE TAPE)  
DETERMINE ELIGIBILITY UNDER NEW RULE  
PAYMENT\*

DETERMINE IF NEW RULE PAYMENT IS  
GREATER THAN, LESS THAN, OR EQUAL  
TO OLD RULE PAYMENT

AMONG ELIGIBLE FAMILIES OLD RULE  
(ALL FAMILIES ASSUMED ELIGIBLE)  
COMPUTE SUMMARY STATISTICS FOR  
EACH PAYMENT GROUP

AMONG ELIGIBLE FAMILIES NEW RULE  
COMPUTE SUMMARY STATISTICS FOR  
EACH PAYMENT GROUP

SUMMARY OF NEW RULE IMPACT

---

\*See flow chart, next page.

JS: DISREGARD = \$60.20(EARNINGS-ETC)+CHILD CARE EXPENSES+.33(REMAINDER)-----

COMPUTED PAYMENTS UNDER OLD RULE ARE LESS  
THAN COMPUTED PAYMENTS UNDER NEW RULE

COMPUTED PAYMENTS UNDER OLD RULE ARE GREATER  
THAN COMPUTED PAYMENTS UNDER NEW RULE

COMPUTED PAYMENTS UNDER OLD RULE ARE EQUAL  
TO COMPUTED PAYMENTS UNDER NEW RULE

FAMILIES ARE ELIGIBLE FOR BENEFITS  
UNDER NEW RULE (COUNTABLE INCOME  
LESS THAN THE STATE STANDARD OF  
NEED, GIVEN FAMILY SIZE)

COMPUTE SUMMARY STATISTICS FOR ALL  
FAMILIES UNDER OLD RULE

COMPUTE SUMMARY STATISTICS FOR ALL  
ELIGIBLE FAMILIES UNDER NEW RULE

SOME EARNED INCOME SEPERATE EXPENSE DATA		DECREASE		INCREASE		NOT CHANGE	
		OLD	NEW	OLD	NEW	OLD	NEW
FAMILIES (TOTAL FOR "OLD")	395979	237250	216174	105865	105865	52864	51588
STANDARD OF NEED (TAPE (\$))		290.80	296.71	288.51	288.51	293.98	294.67
PAYMENT STANDARD (COMPUTED (\$))		276.30	281.56	267.20	267.20	280.87	281.82
LARGEST AMOUNT PAID (COMPUTED (\$))		252.76	256.77	252.93	253.60	172.03	170.47
NONEARNED INCOME (TAPE (\$))	13.72	12.30	12.30	13.51	13.51	20.54	20.54
EARNED INCOME (AVG = TAPE "OLD" (\$))	301.49	383.28	396.55	185.67	202.97	166.40	173.81
EITC COMPONENT IN EARNINGS (\$)			30.24		17.30		14.75
ALLOWABLE EXPENSES:							
CHILD CARE (\$)		39.90	27.08	7.59	5.09	10.97	7.10
CHANGE: NEW-OLD (\$)			-12.82		-2.51		-3.87
WORK-RELATED (\$)		94.93	79.31	14.40	40.59	35.90	34.76
CHANGE: NEW-OLD (\$)			-15.62		26.20		-1.13
EARNINGS DISREGARD (\$)		282.43	252.11	103.95	138.00	118.82	119.12
CHANGE (\$)			-30.33		34.05		0.29
OTHER ALLOWABLE DISREGARDS (TAPE (\$))		4.05	4.09	4.80	4.80	8.40	7.55
TOTAL DISREGARD (\$)		286.48	256.20	108.75	142.80	127.23	126.67
PAYMENTS:							
TOTAL (TAPE (\$000))	62896.6	37057.8		17723.9		8114.9	
AVERAGE (TAPE (\$))	158.84	156.20		167.42		153.51	
TOTAL (COMPUTED (\$000))		38486.2	27574.4	18256.4	19933.1	8206.8	8206.8
AVERAGE (COMPUTED (\$))		162.22	127.56	172.45	188.29	155.24	159.08
CHANGE: NEW-OLD (\$)			-34.66		15.84		3.84
TOTAL (ADJUSTED TO TAPE (\$000))	53961.0		26488.8		19357.3		8114.9
AVERAGE (ADJUSTED TO TAPE (\$))	144.42		122.53		182.85		157.30