

Estimates of eligible families, caseloads, and payments to AFDC-UF for alternative rules, regulations, and limitations

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ESTIMATES OF
ELIGIBLE FAMILIES,
CASELOADS, AND
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AFDC-UF
FOR ALTERNATIVE
RULES,
REGULATIONS, AND
LIMITATIONS

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Introduction

This report contains a series of statistical estimates for alternative rules, regulations, and limitations for the Aid to Families with Dependent Children, Unemployed Father segment, AFDC-UF. These estimates were requested by David Arnaudo and Ken Maniha, of the Family Assistance Studies Staff, D.H.E.W., under a grant to the Social Welfare Regional Research Institute, Boston College.

Estimates of (1) the number of families categorically eligible, (2) caseload size, and (3) money payments, are given for each alternative. All estimates are benchmarked to March 1976. The data base for this analysis is the Current Population Survey (CPS) Annual Demographic File for March 1976.

The alternatives presented here can be divided into three areas: (1) alternatives which would liberalize the 100 hours per month limitation on work for AFDC-UF fathers; (2) alternatives which would substitute a low income threshold, pegged to the prevailing minimum wage, for the 100 hours limitation; and (3) alternatives which would affect other eligibility rules or regulations, such as partial or total elimination of the "6 quarters" rule, treating wives of male heads under the same rules as their husbands for AFDC-UF eligibility, or treating the entire AFDC-UF eligible population as if it were governed by AFDC regular program rules and regulations.

A summary table is provided for each alternative, or "issue." When pertinent we have tried to provide some analysis of why a given alternative would increase or decrease--by the amounts estimated--the number of

eligible families, caseload size, or money payments. We have also tried to find corroborating data, typically within the CPS itself, to support all of the estimates in this report, to convince ourselves that these estimates are reasonable and lie within the scope of prevailing theories of labor market behavior, the hours and income distributions of low income families, and the relationships between the working poor and welfare dependency.

The first step in estimating the impact of alternatives to the current AFDC-UF program with a large sample data set like the CPS is to estimate the number of families who would be categorically eligible for AFDC-UF before any changes take place. We also would like to know the amount of money payments to these families, given the structure of benefits and income disregards. Payments are based on published standards of need and maximum payments schedules and do not allow for errors in payments to individual families nor for non medical vendor payments. Estimates of payments are also based on specific assumptions about income disregards for work related expenses. Issue (1), below, provides estimates of the eligible population and money payments to this eligible population as of March 1976, which shall be termed "current."

These basic CPS estimates are then adjusted in two ways: first, not all families who are categorically eligible actually participate in the program. The percent who are categorically eligible and actually wind up on the AFDC-UF rolls is called the "participation rate." We estimate a 57.33 percent participation rate for AFDC-UF in March 1976. Second, since not all families who are categorically eligible actually participate, money payments to eligible families must be adjusted by the

participation rate. This represents money payments to participating families, assuming only scheduled benefits are paid, no errors in work expense deductions, and no errors in determination of benefits. We find, however, that these estimates are low compared with actual money payments to AFDC-UF cases in March of 1976. Hence, our CPS estimates of money payments to participating families must be adjusted again, by a payments correction factor. This adjustment factor is 1.2138 in March 1976.

After eligible families are adjusted by the participation rate and after money payments are adjusted by the participation rate and the payments correction factor, the CPS estimates of the AFDC-UF program match up with actual caseload and money payments for March 1976. These estimates can then be used to benchmark all subsequent estimates based on changes in rules, regulations, and limitations on work effort. That is, a caseload estimate of a program with a different set of eligibility criteria is the eligible population for this set of criteria times the participation rate for the current program. The money payment to this caseload is money payments for the eligible population times the participation rate of the current program times the money payments adjustment factor. These adjusted caseload and money payments estimates are then compared to actual caseload and money payments in March 1976 and changes in caseload and money payments are computed. Changes in the eligible population are based on the CPS estimates, given our working assumptions about eligibility requirements. Worksheet for Issues (1) through (9) spells out these assumptions.

Two other considerations are implicit in the following estimates of eligible families, caseload, and payments resulting from changes in AFDC-UF rules, regulations, or limitations. First, the March 1976 estimates of eligible families, and hence our estimate of the participation rate and payment adjustment factor, are based on a nation-wide sample generated during a month when the aggregate, seasonally-adjusted unemployment rate was about 7.5 percent. Changes in aggregate unemployment are assumed to affect the availability of jobs and the composition of the four categories of eligible families used in this report. As such changes in aggregate unemployment during a period when these proposed rule changes may be in effect would be expected to alter the overall estimates reported here. Current projections for fiscal year 1978 will also have the aggregate unemployment rate in the seven percent ballpark. If the composition of this unemployment is similar to that in March 1976, the unemployment effects on these estimates should be minimal.

A second factor that could affect these March 1976 benchmark estimates is related to "supply effects." Most of the rule changes considered here will expand the availability of non-earned income (i.e., AFDC-UF benefits) to more low-income, "eligible" families. This in turn may affect the number of hours male heads of these families are willing to work. This may then affect their countable income, payments, or even the participation rate of categorically eligible families under new AFDC-UF proposals. Assessing the impact of this possibility requires detailed econometric analysis far beyond the scope of this report.

A description of proposed changes in AFDC-UF rules and two summary tables, one for March 1976 and one for Fiscal 1978, follows. Detailed worksheets for these alternatives are contained in the remainder of this report, along with our methodology for estimation of eligible families, caseloads, and payments.

Proposed Changes in AFDC-UF Rules

<u>Issue</u>	<u>Description</u>
(1)	Estimation of Current Eligible, Participation Rate, and Payments Adjustment Factor
(2)	Substitute a 30 hours per week limitation on hours worked in place of the current 100 hours per month limitation
(3)	Substitute a 35 hours per week limitation on hours worked in place of the current 100 hours per month limitation
(4)	Substitute a low income threshold at \$2.30 x 30 hours in place of the current 100 hours per month limitation
(5)	Substitute a low income threshold at \$2.30 x 35 hours in place of the current 100 hours per month limitation
(6)	Substitute a low income threshold at \$2.30 x 40 hours in place of the current 100 hours per month limitation
(7)	Substitute a low income threshold at \$2.65 x 30 hours in place of the current 100 hours per month limitation
(8)	Substitute a low income threshold at \$2.65 x 35 hours in place of the current 100 hours per month limitation
(9)	Substitute a low income threshold at \$2.65 x 40 hours in place of the current 100 hours per month limitation
(10)	Eliminate the "6 quarters" rule for male heads under the age of 24, other criteria remaining the same
(11)	Eliminate the "6 quarters" rule for male heads under the age of 26, other criteria remaining the same
(12)	Eliminate the "6 quarters" rule for all male heads, other criteria remaining the same
(13)	Extend the AFDC-UF option to all states not currently offering the program, with all current criteria remaining the same in these new states
(14)	Permit wives of male heads to apply for benefits "as if" they were the male head of family, all other current criteria for male heads remaining the same
(15)	Determine eligibility for AFDC-UF using the AFDC-R rules, thus eliminating the "6 quarters" rule and the 100 hours limitation on hours worked

Terminology in Summary Table:

"March New Caseload"	Estimate of caseload after change, using participation rate estimate of .5733.times current eligible
"March Caseload Additions"	Difference between "March New Caseload" and actual caseload (154,551) in March 1976
"March New Payments"	Estimate of money payments to "March New Caseload," using participation rate adjustment of .5733 and money payments adjustment factor of 1.2138
"March Payment Additions"	Difference between "March New Payments" and actual payments (\$50,048,012) in March 1976
"March New Average Payment"	"March New Payments" / "March New Caseload"

Percentage changes are March New Caseload or March New Payments divided by March actual caseload or March actual payments minus one.

Summary
Impact of Rule Changes, AFDC-UF, March 1976 Estimates

<u>Issue</u>	<u>March New Caseload</u>	<u>March Caseload Additions</u>	<u>March New Payments</u>	<u>March Payment Additions</u>	<u>March New Average Payment</u>
(2)	167,958	13,407 (8.67)	\$53,911,051	\$3,863,039 (7.71)	\$320.98 (-0.89)
(3)	204,958	50,407 (32.29)	61,918,041	11,870,029 (23.71)	302.84 (-6.49)
(4)	286,033	131,482 (85.07)	97,271,730	47,223,718 (94.35)	340.07 (5.01)
(5)	331,255	176,704 (114.33)	107,404,983	57,356,971 (114.60)	324.24 (0.12)
(6)	385,068	230,517 (149.15)	120,702,302	70,654,290 (141.17)	313.46 (-3.21)
(7)	325,362	170,811 (110.52)	105,999,295	55,951,283 (111.79)	325.79 (0.60)
(8)	387,828	233,277 (150.93)	121,286,834	71,238,822 (142.34)	312.73 (-3.43)
(9)	480,588	326,037 (210.95)	139,086,129	89,038,117 (177.90)	289.09 (-10.63)
(10)	154,717	166 (0.10)	50,110,755	62,743 (0.12)	323.89 (0.01)
(11)	154,793	242 (0.15)	50,137,238	89,223 (0.17)	323.90 (0.02)
(12)	160,483	5,932 (3.83)	51,823,280	1,775,268 (3.54)	322.92 (-0.29)
(13)	197,312	42,761 (27.80)	59,183,062	9,135,050 (18.25)	299.94 (-7.37)
(14)	257,020	102,469 (66.30)	72,332,493	22,284,481 (44.52)	281.43 (-13.09)
(15)	1,397,895	1,243,344 (804.48)	\$309,438,933	259,390,921 (518.28)	221.36 (-31.64)

Current March 1976 caseload: 154,551; Current payments: \$50,048,012;
Current average payment: \$323.83.

Percentage change in parentheses.

Summary Estimates for Fiscal Year 1978

The following summary table presents estimates of new caseload, new additional caseload, federal share of total new payments, federal share of total new additional payments, and new average payment for Fiscal Year 1978. These estimates assume a 12 percent increase in the current caseload and expenditures from the March 1976 estimates to mid-year Fiscal 1978. Annualized money payments for Fiscal 1978 are mid-year payment estimates times 12. The federal share of payments to these new caseloads after policy changes is 55 percent. Hence, the new payments and new additional payments are also multiplied by .55. Namely:

FY78 Annualized caseloads = March 1976 caseloads x 1.12

FY78 Annualized federal payments = March 1976 payments x 1.12 x 12 x .55

FY78 Annualized average payments = March 1976 average payments x 1.12

Specific worksheets for individual program changes are presented in the remainder of this report. Also included are the D-2 standards of need and payment standards used to estimate payments to eligible families and Table 5 of the NCSS "Public Assistance Statistics," which gives actual caseload, actual payments, and actual average payments for March 1976.

Impact of Rule Changes, AFDC-UF, Fiscal Year 1978: Total Caseload
and Total Additional Caseload, Total Federal Share of Payments and
Total Federal Share of Additional Payments,
and Average Payments

<u>Issue Page 6</u>	<u>New Caseload (000's)*</u>	<u>Caseload Additions (000's)</u>	<u>New Payments (Millions)**</u>	<u>Payments Additions (Millions)</u>	<u>New Average Payment***</u>
(2)	188.1	15.0	\$ 398.5	\$ 28.6	\$359.49
(3)	229.6	56.5	457.7	87.7	339.18
(4)	320.4	147.3	719.0	349.1	380.87
(5)	371.0	197.9	793.9	424.0	363.14
(6)	431.3	258.2	892.2	522.3	351.07
(7)	364.4	191.3	783.5	413.6	364.88
(8)	434.4	261.3	896.5	526.6	350.25
(9)	538.3	365.2	1,028.1	658.2	323.78
(10)	173.3	.2	370.4	.5	362.75
(11)	173.4	.3	370.6	.7	362.76
(12)	179.7	6.6	383.1	13.1	361.67
(13)	221.0	47.9	437.5	67.5	335.94
(14)	287.9	114.8	534.7	164.7	315.20
(15)	1,565.6	1,392.5	2,287.4	1,917.4	247.92

Caseload in midyear Fiscal 1978, no change in current rules: 173.1

Payments Fiscal 1978, no change in current rules: \$369.9 (federal share)

Average Payment Fiscal 1978, no change in current rules: \$362.69

*March 1976 estimate given change in rule x 1.12

**March 1976 estimate given change in rule x 1.12 x 12 x .55

***March 1976 estimate given change in rule x 1.12

Estimation of Eligible Population, Caseload Size, and Money Payments

The worksheet for Issues (1) through (9) reflects a step-by-step process of culling down a total U. S. population of families into one that reflects current (March 1976) eligibility rules for the AFDC-UF program. Line (1) requires that the family have a male head and a wife and at least one own child under the age of 18 or at least one own child 18 to 20 years in school in March 1976. Line (2) limits all of these families to those residing in states providing the AFDC-UF option. Line (3) limits eligibility to male heads not otherwise eligible for other assistance programs, such as SSI, which would cover "aged" individuals. Likewise, families headed by a male who is "permanently" disabled would be excluded from the AFDC-UF program. Line (4) takes care of this qualification. Line (5) is an approximation to the "6 quarters of work during the last 13 quarters one year prior to application" requirement. Also included in this criterion are male heads who did not work last year (1975), but received unemployment compensation benefits during the year, implying some work during the year prior to the survey period (1974). Our approximation thus limits eligibility to those male heads who were attached to the labor force during 1975, or who were attached to the labor force during 1974. Line (6) is the income eligibility cutoff. This limitation includes only families whose "countable income" (see Notes, Worksheet for Issues (1) to (9)) was less than the state's full standard of need. The full standards were taken from the NCSS "D-2" Series, for July 1975, for families of 3, 4, 6, and 8 persons. Standards for other family sizes were filled in by

Worksheet: Issues (1) to (9)

Line	Population	Families March 76	D-2 Schedule Payments March 76*
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400	
(2)	(1) & living in an AFDC-UF state	18,433,900	
(3)	(2) & male head of family under 65 years	18,284,400	
(4)	(3) & male head not long-term (6 months or more) physical or mental disability	18,013,900	
(5)	(4) & male head worked at least one week last year or received unemployment compensation last year	17,732,100	
(6)	(5) & family countable income# less than state full standard	2,614,140	
(7)	(6) & family assets## less than \$1,500	2,281,590	\$401,377,313
(8)	(7) & male head in labor force in March	2,103,625	
(9)	(8) & male head employed and at work	1,602,610	
(10)	(9) & weekly hours less than 24 (100/mo)	74,809	16,402,100
(11)	(9) & weekly hours less than 31	91,569	20,571,200
(12)	(9) & weekly hours less than 36	152,953	31,849,900
(13)	(9) & gross earnings/wk under \$2.30 x 30	295,852	82,584,500
(14)	(9) & gross earnings/wk under \$2.30 x 35	369,136	96,072,700
(15)	(9) & gross earnings/wk under \$2.30 x 40	454,738	113,138,000
(16)	(9) & gross earnings/wk under \$2.65 x 30	361,905	94,650,400
(17)	(9) & gross earnings/wk under \$2.65 x 35	459,552	113,978,000
(18)	(9) & gross earnings/wk under \$2.65 x 40	616,378	138,246,000
(19)	(8) & male head employed, but not at work	75,168	
(20)	(19) & weekly hours usually less than 24	8,472	2,329,150
(21)	(19) & weekly hours usually less than 31	15,139	3,716,420
(22)	(19) & weekly hours usually less than 36	18,294	3,944,140

continued

Worksheet: Issues (1) to (9)

Line	Population	Families March 76	D-2 Schedule Payments March 76*
(23)	(19) & gross earnings/wk under \$2.30 x 30	16,813	\$ 4,013,010
(24)	(19) & gross earnings/wk under \$2.30 x 35	20,726	4,868,330
(25)	(19) & gross earnings/wk under \$2.30 x 40	28,989	6,911,900
(26)	(19) & gross earnings/wk under \$2.65 x 30	17,678	4,270,590
(27)	(19) & gross earnings/wk under \$2.65 x 35	28,989	6,911,900
(28)	(19) & gross earnings/wk under \$2.65 x 40	33,965	8,222,320
(29)	(8) & male head unemployed	425,847	
(30)	(29) & short term layoff and weekly hours less than 24	1,820	151,285
(31)	(29) & short term layoff and weekly hours less than 31	1,820	151,285
(32)	(29) & short term layoff and weekly hours less than 36	1,820	151,285
(33)	(29) & short term layoff and gross earnings/wk under \$2.30 x 30	1,820	151,285
(34)	(29) & short term layoff and gross earnings/wk under \$2.30 x 35	3,503	371,162
(35)	(29) & short term layoff and gross earnings/wk under \$2.30 x 40	3,503	371,162
(36)	(29) & short term layoff and gross earnings/wk under \$2.65 x 30	3,503	371,162
(37)	(29) & short term layoff and gross earnings/wk under \$2.65 x 35	3,503	371,162
(38)	(29) & short term layoff and gross earnings/wk under \$2.65 x 40	3,503	371,162
(39)	(29) & long term layoff lasting 30 days or more	220,595	63,430,000
(40)	(7) & received unemployment compensation last year while unemployed (percent)	16.39	
(41)	(39) & no unemployment compensation ((39) x 100 - (40))	184,439	53,033,823

*After income disregard, work expenses of 90 percent of family gross earnings and ratable reductions of maximum allowable payments, not adjusted for estimated participation rate nor estimated payment adjustment factor.

Notes

#Family countable income is defined as the sum of earnings of head and wife in March 1976 after 30 and 1/3 disregard and work expenses plus average non-earned income of family in 1975. Non-earned income includes all asset income (interest, net rental income, dividends, estate and royalty income) less any income from unemployment compensation or public assistance.

Earnings is based on the product of an hourly wage rate, W, during 1975 (earnings / hours worked per week x weeks worked per year) and hours worked during the survey week, H, in March 1976. These weekly earnings are then multiplied by 4.6 to estimate March 1976 earnings. Hours are actual hours last week among heads and wives employed that week, provided that if hours last week were less than 35, but the head or wife usually worked more than 35 hours, last years usual weekly hours were used. Hours worked last week for workers employed during the survey week, but not at work, are based on usual weekly hours last year. Hours worked last week for workers on part time layoff are usual hours last year. Hours worked last week for workers on permanent layoff are set to zero. Finally, if hours worked last week were less than 35, but the head or wife usually worked more than 35, and usual hours worked last year were less than 35, 40 hours were assumed for the survey week in March 1976.

$$\begin{aligned} \text{Countable income} = & W_h \times H_h \times .9 \times .67 \times 4.6 - 20.0 \times 4.6 \\ & + W_w \times H_w \times .9 \times .67 \times 4.6 - 20.0 \times 4.6 \\ & + (\text{nonearned income}_h + \text{nonearned income}_w \\ & \quad - \text{unemployment compensation}_h \\ & \quad - \text{unemployment compensation}_w \\ & \quad - \text{public assistance}_{\text{family}}) / 12 \end{aligned}$$

.9 = earnings rate after 10 percent work allowance disregard

4.6 = number of weeks in March 1976

.67 = income countable against welfare grant after 1/3 disregard

20.0 = disregard against gross income

Unemployment compensation and public assistance are from 1975.

##Family assets in March 1976 are estimated from income from family assets during 1975, assuming a 5 percent rate of return on assets. That is, Assets = (income from interest + dividends + net rental + estates + royalties) / .05.

extrapolation. Line (7) then limits eligibility to families whose "assets" were valued at less than \$1,500 in March 1976. \$1,500 is a rough average of the complex and virtually noncomparable standards set by individual states offering the AFDC-UF option in 1976. Finally, line (8) requires that the male head be in the labor force during March 1976. Hence, male heads not in the labor force because they were "keeping house," or were "in school" are excluded.

The remaining lines of this first worksheet provide estimates of eligible families, based on alternative rules and limitations involving hours worked or low income thresholds. We must assume that one further criteria is also met: the male head must have been unemployed for at least 30 days prior to application for AFDC-UF benefits. Among those who met this criteria, the remainder of this worksheet speaks to work effort once on the AFDC-UF rolls. Errors involved in this assumption will be captured in our participation rate and payments correction factor. Other issues that involve changes in eligibility rules covered by lines (1) through (7) are analyzed with the aid of new worksheets.

Four categories of "eligible families" are used in estimation of caseloads and money payments. The first includes male heads* who were employed during March 1976 and were on the job. A second includes male heads who were employed during March 1976, but were not at work because of temporary illness, plant closings, material shortages, vacations, or a variety of other reasons that would not be expected to keep the worker off the job for an extended period of time. These workers are assumed to work their usual work schedule when at work. A third category includes male

*Other issues involve wives of male heads and their work effort.

heads who were unemployed in March 1976, because of a temporary layoff expected to last less than 30 days. These workers would be expected to return to work within 30 days, and as such would be employed again during the March 1976 estimation period. We estimate categorical eligibility among these workers as if they usually worked their normal work schedule during the prior year. The fourth category includes all unemployed workers who were on a long term layoff, which lasts at least 30 days. The permanently unemployed are expected to remain unemployed during the entire March 1976 accounting period and as such would qualify for full benefits. Male heads expected to receive unemployment compensation are excluded.*

The categorical eligible population for each of the issues developed in this report is the sum of these four categories. This population is then adjusted by the March 1976 participation rate to yield an estimate of caseload size in March 1976, as if the new eligibility rule had been in effect. Payments to the eligible population are also adjusted by the participation rate, and also by the payments adjustment factor. This adjusted money payments estimate represents money payments to the participating caseload, as if the new eligibility rule had been in effect.

*This represents a compromise. Male heads are categorically eligible for AFDC-UF, provided that unemployment compensation benefits are included in countable income before eligibility (line (6)) is determined. Since we do not know these payments, but assume that if included these payments would reduce the AFDC-UF payment substantially, these unemployed workers have been excluded at the same rate as all workers during the previous year. Hence, only that number of eligible male heads who did not receive benefits from unemployment compensation are included in the estimation of the categorically eligible.

Issue (1): Estimate of Current Eligible Population (March 1976)

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(10)	74,809	\$16,402,100	
	(20)	8,472	2,329,150	
	(30)	1,820	151,285	
	(41)	184,439	53,033,823	
(1)	Current Eligible:*	269,540	\$71,916,358	
(2)	Current Caseload	154,551		
(3)	Participation Rate	<u>57.33%</u>		(2) / (1)
(4)	Current Payments		\$50,048,012	
(5)	Payment to Current Caseload		\$41,229,648	(1) x (3)
(6)	Payment Adjustment**		<u>121.38%</u>	(5) / (4)
(7)	Average Payment Current Caseload		\$323.83	

*Assuming each eligible male head had been unemployed 30 days or more prior to applying for public assistance. Once unemployed line numbers (10), (20), (30), and (41) refer to work schedules after entering the AFDC-UF rolls.

**Current Population Survey estimates of payments to eligible families is lower than payments reported in Public Assistance Statistics. This may be due to overpayments, because of additional payments to cases not included in the D-2 standards, or to an overestimate of countable income, because workexpenses average more than 90 percent of gross earnings. This adjustment factor brings the CPS estimates in line with actual for all comparisons to follow.

In general, the following terminology shall be used throughout the following analysis of various alternative changes in eligibility or populations:

"Current Eligible"*	Estimate from Current Population Survey as of March 1976
"Caseload"	Percent of Current Eligible expected to participate in caseload: that is, current eligible x .5733
"Payments"	Estimate of actual payments paid to caseload: current eligible payments x .5733 x 1.2138
"Additions"	Difference between caseload under a given policy change and actual caseload in March 1976; or difference between payments under a given policy change and actual payments in March 1976
"Percent Change"	Additions / Actual in March 1976
"Average Payment"	Payments under a given policy change divided by caseload under a given policy change
"Percent Change in Average Payments"	Average Payment under a policy change divided by actual payments in March 1976 minus one; i.e., difference in payments divided by actual payments in March 1976.

*Payments refer to difference between state payment standard, subject to ratable reductions, and countable income, assuming that all families who are categorically eligible actually participate. The worksheet estimates of eligible families and payments are adjusted to reflect actual caseload and payments as of March 1976.

Issue (2): Estimate of Current Eligible Population After Changing Eligibility Rules From the 100 Hours/Month limitation to 30 Hours or Less Per Week

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(11)	91,569	\$20,571,200	
	(21)	15,139	3,716,420	
	(31)	1,820	151,285	
	(41)	184,439	53,033,823	
(1) Current Eligible		292,967	\$77,472,728	
(2) Caseload		<u>167,958</u>		(1) x .57
(3) Payments			<u>\$53,911,051</u>	(1) x .57 x 1.21
(4) Additions		13,407	3,863,039	
(5) Percent Change		8.67	7.71	
(6) Average Payment			<u>\$320.98</u>	(3) / (2)
(7) Percent Change in Average Payment			-.89	

Comment: average payments decline because male heads who work between 24 and 30 hours, the additional eligible, tend to have slightly higher countable income, but about the same size families as the March 1976 caseload. Hence, payments to these extra cases are slightly lower on average, thereby lowering the overall payment average slightly.

Issue (3): Estimate of Current Eligible Population After Changing
Eligibility Rules from 100 Hours/Month Limitation
to 35 Hours or Less Per Week

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(12)	152,953	\$31,849,900	
	(22)	18,294	3,944,140	
	(32)	1,820	151,285	
	(41)	184,439	53,033,823	
(1)	Current Eligible	357,506	\$88,979,148	
(2)	Caseload	<u>204,958</u>		(1) x .57
(3)	Payments		<u>\$61,918,041</u>	(1) x .57 x 1.21
(4)	Additions	50,407	11,870,029	
(5)	Percent Change	32.29	23.71	
(6)	Average Payment		<u>\$302.11</u>	(3) / (2)
(7)	Percent Change in Average Payment		-6.49	

Comment: average payments decline because male heads who work between 24 and 35 hours, the additional eligible, tend to have higher countable income, which offsets slightly higher payments due to slightly higher family sizes. Hence, countable income increases for this new group of eligible families faster than payment standards, thereby lowering average payments for the overall new caseload.

Issue (4): Change in Eligibility Rules to Cover Male Heads with Low Earnings: Earnings Cutoff = Prevailing Minimum Wage times 30 Hours Per Week (\$2.30 x 30)

<u>Line</u>	<u>Families</u>	<u>Payments</u>	
(13)	295,852	\$82,584,500	
(23)	16,813	4,013,010	
(33)	1,820	151,285	
(41)	184,439	53,033,823	
(1) Current Eligible	498,924	\$139,782,595	
(2) Caseload	<u>286,033</u>		(1) x .57
(3) Payments		<u>\$97,271,730</u>	(1) x .57 x 1.21
(4) Additions	131,482	47,223,718	
(5) Percent Change	85.07	94.35	
(6) Average Payment		<u>\$340.07</u>	(3) / (2)
(7) Percent Change in Average Payment		5.01	

Comment: changing from an hours limitation to an income threshold tends to add a rather large group of eligible male heads whose wage rates are lower than the eligible male heads before the proposed change, whose wives are less likely to work, since many of these male heads are working 40 or more hours per week, and whose family sizes are slightly larger on average than the March 1976 caseload before the change. The net effect is higher average payments to this new group of eligible families. This same comment would apply to all the proposed income threshold proposals.

Issue (5): Change in Eligibility Rules to Cover Male Heads with Low
Earnings: Earnings Cutoff = Prevailing Minimum Wage times
35 Hours Per Week (\$2.30 x 35)

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(14)	369,136	\$96,072,700	
	(24)	20,726	4,868,330	
	(34)	3,503	371,162	
	(41)	184,439	53,033,823	
		<u> </u>	<u> </u>	
(1) Current Eligible		577,804	\$154,346,015	
(2) Caseload		<u>331,255</u>		(1) x .57
(3) Payments			<u>\$107,404,983</u>	(1) x .57 x 1.21
(4) Additions		176,704	57,356,971	
(5) Percent Change		114.33	114.60	
(6) Average Payment			<u>\$324.24</u>	(3) / (2)
(7) Percent Change in Average Payment			.12	

Issue (6): Change in Eligibility Rules to Cover Male Heads with Low Earnings: Earnings Cutoff = Prevailing Minimum Wage times 40 Hours Per Week (\$2.30 x 40)

<u>Line</u>	<u>Families</u>	<u>Payments</u>	
(15)	454,738	\$113,138,000	
(25)	28,989	6,911,900	
(35)	3,503	371,162	
(41)	184,439	53,033,823	
(1) Current Eligible	671,669	\$173,454,885	
(2) Caseload	<u>385,068</u>		(1) x .57
(3) Payments		<u>\$120,702,302</u>	(1) x .57 x 1.21
(4) Additions	230,517	70,654,290	
(5) Percent Change	149.15	141.17	
(6) Average Payment		<u>\$313.46</u>	(3) / (2)
(7) Percent Change in Average Payment		-3.21	

Comment: average payments decline for this new group of eligible families mainly due to the fact that this cutoff level of income now permits many of the relatively higher wage rate heads of families to be categorically eligible, though their higher countable income against benefits would result in lower payments. The net effect of including this new group of male heads is a decline in average benefits, though a substantial increase in payments as a whole.

Issue (7): Change in Eligibility Rules to Cover Male Heads with Low
Earnings: Earnings Cutoff = Prevailing Minimum Wage times
30 Hours Per Week (\$2.65 x 30)

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(16)	361,905	\$94,650,400	
	(26)	17,678	4,270,590	
	(36)	3,503	371,162	
	(41)	184,439	53,033,823	
		<hr/>	<hr/>	
(1) Current Eligible		567,525	\$152,325,975	
(2) Caseload		<u>325,362</u>		(1) x .57
(3) Payments			<u>\$105,999,295</u>	(1) x .57 x 1.21
(4) Additions		170,811	55,951,283	
(5) Percent Change		110.52	111.79	
(6) Average Payment			<u>\$325.79</u>	(3) / (2)
(7) Percent Change in Average Payment			.60	

Issue (8): Change in Eligibility Rules to Cover Male Heads with Low Earnings: Earnings Cutoff = Prevailing Minimum Wage times 35 Hours Per Week (\$2.65 x 35)

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(17)	459,552	\$113,978,000	
	(27)	28,989	6,911,900	
	(37)	3,503	371,162	
	(41)	184,439	53,033,023	
(1) Current Eligible		676,483	\$174,294,885	
(2) Caseload		<u>387,828</u>		(1) x .57
(3) Payments			\$121,286,834	(1) x .57 x 1.21
(4) Additions		233,277	71,238,822	
(5) Percent Change		150.93	142.34	
(6) Average Payment			<u>\$312.73</u>	(3) / (2)
(7) Percent Change in Average Payment			-3.43	

Issue (9): Change in Eligibility Rules to Cover Male Heads with Low Earnings: Earnings Cutoff = Prevailing Minimum Wage times 40 Hours Per Week (\$2.65 x 40)

<u>Line</u>	<u>Families</u>	<u>Payments</u>	
(18)	616,378	\$138,246,000	
(28)	33,965	8,222,320	
(38)	3,503	371,162	
(41)	184,439	53,033,823	
(1) Current Eligible	838,285	\$199,873,305	
(2) Caseload	<u>480,588</u>		(1) x .57
(3) Payments		<u>\$139,086,129</u>	(1) x .57 x 1.21
(4) Additions	326,037	89,038,117	
(5) Percent Change	210.95	177.90	
(6) Average Payment		<u>\$289.09</u>	(3) / (2)
(7) Percent Change in Average Payment		-10.63	

Issue (10): Eliminate the "6 Quarters" Rule for Male Heads under the Age of 24. All Other Rules Remain Unchanged

Line	Population	March 1976
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400
(2)	(1) & living in an AFDC-UF state	18,433,900
(3)	(2) & male head of family under 65 years	18,284,400
(4)	(3) & male head not long-term (6 months or more) physical or mental disability	18,013,900
(5)	(4) & male head under 24 years or worked at least one week last year or received unemployment compensation last year	17,771,570
(6)	(5) & family countable income less than state full standard	2,636,200
(7)	(6) & family assets less than \$1,500	2,303,640
(8)	(7) & male head in labor force in March	2,122,270
(9)	(8) & male head employed and at work	1,612,850
(10)	(9) & weekly hours less than 24 (100/mo)	74,809
(11)	(10) payments	\$16,402,100
(12)	(8) & male head employed, but not at work	75,168
(13)	(12) & weekly hours less than 24	8,472
(14)	(13) payments	\$2,329,150
(15)	(8) & male head unemployed	434,252
(16)	(15) & short term layoff and weekly hours less than 24	1,820
(17)	(16) payments	\$151,285
(18)	(15) & long-term layoff lasting 30 days or more	220,595
(19)	(18) payments	\$63,430,000

Issue (10), cont.

Line	Population	March 1976
(20)	(8) & received unemployment compensation last year while unemployed (percent)	16.24
(21)	(18) & no unemployment compensation (18) x 100 - (20)	184,770
(22)	(19) & no unemployment compensation (19) x 100 - (20)	\$53,128,968

Line	Families	Payments
(10) (11)	74,809	\$16,402,100
(13) (14)	8,472	2,329,150
(16) (17)	1,820	151,285
(21) (22)	184,770	53,128,968
(23) Current Eligible	269,871	72,011,503
(24) Caseload	<u>154,717</u>	(23) x .57
(25) Payments		<u>\$50,110,755</u> (23) x .57 x 1.21
(26) Additions	166	62,743
(27) Percent Change	.10	.12
(28) Average Payment		<u>\$323.89</u> (25) / (24)
(29) Percent Change in Average Payment		.01

Comment: the only additional eligible families using this exemption are among the permanently unemployed. These younger male heads are less likely to receive unemployment compensation while on layoff than their older counterparts. Hence, eligible families among the permanently unemployed increases slightly. The net result is a trivial 166 cases in March 1976 had the "6 quarters" limitation been removed from these younger male heads.

The same comment applies if we remove the "6 quarters" rule from male heads under the age of 26; the only change from the existing population of current eligibles is among the permanently unemployed who have a slightly lower chance of receiving unemployment compensation benefits while unemployed.

Issue (11): Eliminate the "6 Quarters" Rule for Male Heads Under the Age of 26. All Other Rules Remain Unchanged

Line	Population	March 1976
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400
(2)	(1) & living in an AFDC-UF state	18,433,900
(3)	(2) & male head of family under 65 years of age	18,284,400
(4)	(3) & male head not long-term (6 months or more) physical or mental disability	17,775,570
(5)	(4) & male head under 26 years or worked at least one week last year or received unemployment compensation last year	17,771,570
(6)	(5) & family countable income less than state full standard	2,650,320
(7)	(6) & family assets less than \$1,500	2,312,690
(8)	(7) & male head in labor force in March	2,128,675
(9)	(8) & male head employed and at work	1,614,570
(10)	(9) & weekly hours less than 24 (100/mo)	74,809
(11)	(10) payments	\$16,402,100
(12)	(8) & male head employed, but not at work	75,168
(13)	(12) & weekly hours usually less than 24	8,472
(14)	(13) payments	\$2,329,150
(15)	(8) & male head unemployed	438,937
(16)	(15) & short term layoff and weekly hours usually less than 24	1,820
(17)	(16) payments	\$151,285
(18)	(15) and long term layoff lasting 30 days or more	220,595
(19)	(18) payments	\$63,430,000

Issue (11), cont.

Line	Population	March 1976
(20)	(8) & received unemployment compensation last year while unemployed (percent)	16.18
(21)	(18) & no unemployment compensation (18) x 100 - (20)	184,903
(22)	(19) & no unemployment compensation (19) x 100 - (19)	\$53,167,026

Line	Families	Payments	
(10) (11)	74,809	\$16,402,100	
(13) (14)	8,472	2,329,150	
(16) (17)	1,820	151,285	
(21) (22)	184,903	53,167,026	
(23) Current Eligible	270,004	\$72,049,561	
(24) Caseload	<u>154,793</u>		(23) x .57
(25) Payments		<u>\$50,137,238</u>	(23) x .57 x 1.21
(26) Additions	242	89,223	
(27) Percent Change	0.15	0.17	
(28) Average Payment		<u>\$323.90</u>	(25) / (24)
(29) Percent Change in Average Payment		0.02	

Issue (12): Eliminate the "6 Quarters" Rule for AFDC-UF. All Other Rules Remain Unchanged.

Line	Population	March 76
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400
(2)	(1) & living in an AFDC-UF state	18,433,900
(3)	(2) & male head of family under 65 years	18,284,400
(4)	(3) & male head not long-term (6 months or more) physical or mental disability	18,013,900
(5)	(4) & weeks criteria removed	18,013,900
(6)	(5) & family countable income less than state full standard	2,783,190
(7)	(6) & family assets less than \$1,500	2,438,330
(8)	(7) & male head in labor force in March	2,169,779
(9)	(8) & male head employed and at work	1,623,070
(10)	(9) & weekly hours less than 24 (100/mo)	76,438
(11)	(10) payments	\$16,974,200
(12)	(8) & male head employed, but not at work	78,373
(13)	(12) & weekly hours less than 24	11,677
(14)	(13) payments	\$2,663,070
(15)	(8) & male head unemployed	468,336
(16)	(15) & short term layoff and weekly hours less than 24	1,820
(17)	(16) payments	\$151,285
(18)	(15) & long-term layoff lasting 30 days or more	189,994
(19)	(18) payments	\$64,592,400
(20)	(8) & received unemployment compensation last year while unemployed (percent)	15.34

Issue (12), cont.

Line	Population	March 1976
(21)	(18) & no unemployment compensation (18) x 100 - (20)	189,994
(22)	(19) & no unemployment compensation (19) x 100 - (20)	\$54,683,926

Line	Families	Payments
(10) (11)	76,438	\$16,974,200
(13) (14)	11,677	2,663,070
(16) (17)	1,820	151,285
(21) (22)	189,994	54,683,926
(23) Current Eligible	279,929	\$74,472,481
(24) Caseload	<u>160,483</u>	(23) x .57
(25) Payments		<u>\$51,823,280</u> (23) x .57 x 1.21
(26) Additions	5,932	1,775,268
(27) Percent Change	3.83	3.54
(28) Average Payment		<u>\$322.92</u> (25) / (24)
(29) Percent Change in Average Payment		-0.29

Comment: removing the "6 quarters" restriction from the AFDC-UF program altogether increases eligible families in three of the four categories, compared to the current program. The net result is an increase in eligible families of about 10,300. About half of this increase is among male heads on permanent layoff, who as a group have a lower chance of receiving unemployment compensation benefits and as such, a higher chance of entering the caseload. There is only a trivial change in average payments due to this rather slight increase in caseloads after the elimination of this requirement.

Issue (13): Extension of AFDC-UF to States not Currently Offering the Program. All Current Rules in AFDC-UF States Apply.

Line	Population	March 1976
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400
(2)	(1) & living in a <u>non</u> -AFDC-UF state	7,558,530
(3)	(2) & male head of family under 65 years	7,480,990
(4)	(3) & male head not long-term (6 months or more) physical or mental disability	7,352,190
(5)	(4) & male head worked at least one week last year or received unemployment compensation last year	7,232,250
(6)	(5) & family countable income less than state full standard	748,029
(7)	(6) & family assets less than \$1,500	680,047
(8)	(7) & male head in labor force in March	606,525
(9)	(8) & male head employed and at work	494,248
(10)	(9) & weekly hours less than 24 (100/mo)	32,617
(11)	(10) payments	\$4,794,860
(12)	(8) & male head employed, but not at work	27,532
(13)	(12) & weekly hours less than 24	2,028
(14)	(13) payments	\$198,749
(15)	(8) & male head unemployed	84,745
(16)	(15) & short term layoff and weekly hours less than 24	0
(17)	(16) payments	0
(18)	(15) & long-term layoff lasting 30 days or more	46,700
(19)	(18) payments	\$9,509,980

Issue (13), cont.

Line	Population	March 1976
(20)	(8) & received unemployment compensation last year while unemployed (percent)	14.47
(21)	(18) & no unemployment compensation (18) x 100 - (20)	39,943
(22)	(19) & no unemployment compensation (19) x 100 - (20)	\$8,133,886

	<u>Line</u>	<u>Families</u>	<u>Payments</u>	
	(10) (11)	32,617	\$4,794,860	
	(13) (14)	2,028	198,749	
	(21) (22)	39,943	8,133,886	
(23)	Current Eligible	74,588	\$13,127,495	
(24)	Caseload	<u>42,761</u>		(23) x .57
(25)	Payments		<u>\$9,135,050</u>	(23) x .57 x 1.21
(26)	Additions	42,761	9,135,050	
(27)	Percent Change	27.80	18.25	
(28)	Caseload and Payments, All States	<u>197,312</u>	<u>\$59,183,062</u>	
(29)	Average Payment non-AFDC-UF States		\$213.63	(25) / (24)
(30)	Average Payment, All States		<u>\$299.94</u>	
(31)	Percent Change in Average Payment, All States		-7.37	

Comment: the majority of states added are in the South and have lower payment standards and impose maximum payment limitations. Hence, payments are lower on average, once these states have been added to the program.

Issue (14): Extend AFDC-UF to Wives who Otherwise Qualify Under Existing Criteria for Male Heads of Families

Line	Population	March 1976
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400
(2)	(1) & living in AFDC-UF state	18,433,900
(3)	(2) & wife under 65 years of age and not long term illness lasting six months or more	18,382,900
(4)	(3) & wife worked at least one week last year or received unemployment compensation last year	9,933,850
(5)	(4) & family countable income less than full state standard	1,236,020
(6)	(5) & family assets less than \$1,500	1,058,630
(7)	(6) and in labor force in March 1976	683,299
(8)	(7) & wife employed in March and at work	573,520
(9)	(8) and wife worked less than 24 hours (100 hours per month)	159,142
	(8) and male head worked less than 24 hours	7,069
(10)	(9) payments to wife	\$28,254,300
	(9) payments to head	1,294,750
(11)	(9) & only wife of family qualifies	152,073
	(10) & only wife of family qualifies	\$27,059,550
(12)	(7) & wife employed, but not at work	21,059
(13)	(12) & wife usually works less than 24 hours	1,748
(14)	(13) payments	\$80,894

Issue (14), cont.

Line	Population	March 1976
(15)	(7) & wife unemployed in March	88,720
(16)	(15) & wife's unemployment long-term (six months or more)	34,902
	(15) & head is unemployed and unemployment is long term	9,990
(17)	(16) payments to wife	\$8,176,570
	(16) payments to head	3,293,170
(18)	(16) & only wife of family qualifies	24,912
	(17) & only wife of family qualifies	\$4,883,400

Line	Families	Payments
(11)	152,073	\$27,059,550
(13)	1,748	80,894
(18)	24,912	4,883,400
(19) Current Eligible	178,733	\$32,023,844
(20) Caseload (Wife)	102,469	(19) x .57
(21) Payments (Wife)		\$22,284,481 (19) x .57 x 1.21
(22) Additions (Wife)	102,469	22,284,481
(23) Percent Change	66.30	44.52
(24) Caseload and Payments After Change	257,020	\$72,332,439
(25) Average Payment to Wife-eligible and participating caseload		\$217.48 (21) / (20)
(26) Average Payment to All Cases, incl. Wife group		\$281.43 line (24)
(27) Percent Change in Average Payment incl. Wife group		-13.09

Issue (14), cont.

Comment: the lower average payment to this new caseload after the addition of wives whose husbands are not also eligible is due to the fact that their husbands are not limited to hours worked (just as wives are not limited among families eligible for AFDC-UF). The incomes of these male spouses is higher in the revised program than the incomes of wives of male spouses in the existing AFDC-UF program. Hence, average payments decline. Nearly 10,000 families would be included in the current AFDC-UF program where both the male head and the spouse both are permanently unemployed. (line (16)).

Issue (15): Treat the AFDC-UF caseload under the rules applying to the AFDC-R (regular, female head) program; i.e., remove the "6 quarters" rule and the 100 hours per month limitation on hours worked

Line	Population	March 1976
(1)	Intact male headed families with at least one own child under 18 years of age or at least one own child 18 to 20 years in school, United States	25,990,400
(2)	(1) & living in an AFDC-UF state	18,433,900
(3)	(2) & male head of family under 65 years	18,284,400
(4)	(3) & male head not long-term (6 months or more) physical or mental disability	18,013,900
(5)	(4) & weeks criteria removed	18,013,900
(6)	(5) & family countable income less than state full standard	2,783,190
(7)	(6) & family assets less than \$1,500	2,438,330

	<u>Line</u>	<u>Families</u>	<u>Payments</u>
	(7)	<u>2,438,330</u>	<u>\$444,678,242</u>
(8) Current Eligible		2,438,330	\$444,678,242
(9) Caseload		<u>1,397,895</u>	(1) x .57
(10) Payments			<u>\$309,438,933</u> (1) x .57 x 1.21
(11) Additions		1,243,344	259,390,921
(12) Percent Change		804.48	518.28
(13) Average Payment			<u>\$221.36</u> (10) / (9)
(14) Percent Change in Average Payment			-31.64

Comment: the principal limitation in this proposal is that family countable income be less than the full standard. This new caseload therefore includes many families whose income against benefits is much higher than the current AFDC-UF caseload where income is limited by a 100 hours limitation. The marginal benefit to these new cases, who on average have higher income, is therefore lower than the benefit level for the current AFDC-UF caseload. The net result is a decline in average benefits, but a healthy increase in caseload and payments.

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TABLE 5. -- AID TO FAMILIES WITH DEPENDENT CHILDREN, UNEMPLOYED FATHER SEGMENT: RECIPIENTS OF MONEY PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, MARCH 1976
[INCLUDES NON-MEDICAL VENDOR PAYMENTS]

STATE	NUMBER OF FAMILIES	NUMBER OF RECIPIENTS		PAYMENTS TO RECIPIENTS			PERCENTAGE		CHANGE FROM	
		TOTAL (&)	CHILDREN	TOTAL AMOUNT	FAMILY	RECIPIENT	FEB 1976 IN-- NO. OF RECIP.	AMOUNT	MAR 1975 IN-- NO. OF RECIP.	AMOUNT
TOTAL	154,551	676,110	387,537	\$50,048,012	\$323.83	\$74.02	2.9	2.8	26.8	37.8
CALIFORNIA (ANNOTATIONS)	43,197	180,383	109,442	12,851,661	297.51	71.25	2.5	4.1	7.8	21.5
COLORADO	2,220	9,252	4,870	630,904	284.19	68.19	6.7	5.4	-0.9	8.0
CONNECTICUT	822	3,677	2,133	300,402	365.45	81.70	15.4	12.4	#	#
DELAWARE	184	784	425	46,650	253.53	59.50	11.8	12.3	47.4	59.0
DIST OF COLUMBIA	247	1,150	718	82,189	332.75	71.47	6.6	11.4	5.0	8.6
GUAM	16	80	51	4,102	X	51.27	-40.7	-41.9	#	#
HAWAII	378	1,690	952	166,882	441.49	98.75	0.5	1.6	-8.6	8.7
ILLINOIS (ANNOTATIONS)	14,324	69,385	41,254	4,841,345	337.99	69.78	-0.5	0.1	-4.8	-14.4
IOWA	1,018	4,334	2,366	376,307	369.65	86.83	15.7	14.6	214.5	184.8
KANSAS	465	2,062	1,135	144,440	310.62	70.05	-4.9	-13.8	53.4	68.3
KENTUCKY	5,728	25,836	14,748	1,492,926	260.64	57.78	9.5	11.3	#	#
MARYLAND	2,132	9,287	5,195	530,410	248.79	57.11	-1.3	-0.3	61.5	78.6
MASSACHUSETTS (ANNOTATIONS)	5,168	22,748	13,158	1,844,638	356.93	81.09	4.5	1.1	35.4	9.8
MICHIGAN	19,207	88,595	50,374	7,933,276	413.04	89.55	3.2	3.2	55.1	75.7
MINNESOTA	1,750	7,730	4,303	612,985	350.28	79.30	9.3	5.6	62.3	77.7
MISSOURI	193	916	530	37,802	195.87	41.27	49.4	53.8	X	X
MONTANA	147	652	363	42,704	290.50	65.50	19.0	20.1	#	#
NEBRASKA	64	324	198	17,742	277.22	54.76	17.4	21.0	107.7	159.3
NEW YORK	8,073	36,441	20,617	3,315,045	410.63	90.97	6.6	6.0	71.4	72.5
OHIO	21,654	91,024	48,811	5,548,904	256.25	60.96	4.5	4.6	13.6	39.8
OREGON	4,893	20,227	10,567	1,507,846	308.16	74.55	0.1	-0.1	-2.7	20.5
PENNSYLVANIA	7,216	30,894	16,588	2,460,242	340.94	79.63	2.3	2.1	85.9	112.3
RHODE ISLAND	712	3,196	1,815	221,940	311.71	69.44	-1.3	1.1	12.0	16.7
UTAH	1,083	5,176	3,032	367,960	339.76	71.09	-4.4	-4.4	-0.9	5.6
VERMONT	1,676	7,513	4,247	561,503	335.03	74.74	5.4	8.6	65.8	75.4
WASHINGTON	5,666	23,465	12,510	1,820,884	321.37	77.60	4.2	-2.8	10.8	19.9
WEST VIRGINIA	1,848	8,091	5,125	429,173	232.24	53.04	-2.9	-9.9	29.7	16.4
WISCONSIN (E)	4,470	21,198	12,010	1,857,150	415.47	87.61	-6.4	-5.7	58.8	71.0

DATA NOT AVAILABLE

X AVERAGE PAYMENT NOT COMPUTED ON BASE OF FEWER THAN 50 FAMILIES OR RECIPIENTS;
PERCENTAGE CHANGE ON FEWER THAN 100 RECIPIENTS.

(E) ESTIMATED DATA

& INCLUDES AS RECIPIENTS THE CHILDREN AND ONE OR BOTH PARENTS OR ONE CARETAKER RELATIVE OTHER THAN A PARENT IN FAMILIES IN WHICH THE REQUIREMENTS OF SUCH ADULTS WERE CONSIDERED IN DETERMINING THE AMOUNT OF ASSISTANCE.

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The following four tables were used to compute the full standard and the payment standards for the estimates in this report.

Table 3.--AFDC family with three recipients 1/: Monthly amount for basic need standard, payment standard, and largest amount paid in July 1975, by State

State	Need standard <u>1/</u>			Payment standard (Amount against which income is applied)	Largest amount paid for basic needs	
	Amount of basic needs				Amount	Percent of need standard
	Total	Other than rent	Rent			
Alabama.....	\$180	\$145	\$35	\$108	\$108	60
Alaska.....	350	(2/)	(2/)	350	350	100
Arizona.....	233	165	68	233	163	70
Arkansas.....	245	205	40	245	125	51
California.....	316	(2/)	(2/)	293	293	93
Colorado <u>3/</u>	217	145	<u>4/</u> 72	217	217	100
Connecticut.....	346	194	<u>5/</u> 152	346	346	100
Delaware.....	245	184	<u>6/</u> 61	245	221	90
District of Columbia....	286	(2/)	(2/)	243	243	85
Florida.....	195	(2/)	(2/)	144	144	74
Georgia.....	193	147	46	193	123	64
Guam.....	(2/)	(2/)	(2/)	(2/)	(2/)	(2/)
Hawaii.....	428	188	240	428	428	100
Idaho.....	345	259	86	300	300	87
Illinois.....	<u>5/</u> 261	(2/)	(2/)	261	261	100
Indiana.....	307	207	100	269	200	65
Iowa.....	309	233	76	294	294	95
Kansas.....	321	196	<u>5/</u> 125	321	321	100
Kentucky.....	185	(2/)	(2/)	185	185	100
Louisiana.....	<u>5/</u> 164	(2/)	(2/)	128	128	78
Maine.....	277	186	91	277	176	64
Maryland.....	259	(2/)	(2/)	200	200	77
Massachusetts <u>7/</u>	259	175	84	259	259	100
Michigan.....	333	232	<u>5/6/</u> 101	333	333	100
Minnesota.....	330	(2/)	(2/)	330	330	100
Mississippi.....	241	191	50	241	48	20
Missouri.....	325	250	<u>4/</u> 75	325	120	37
Montana <u>3/</u>	201	132	69	201	201	100
Nebraska.....	279	(2/)	(2/)	279	210	75
Nevada.....	279	(2/)	(2/)	195	195	70
New Hampshire.....	308	183	125	308	308	100
New Jersey.....	310	(2/)	(2/)	310	310	100
New Mexico.....	197	150	47	197	169	86
New York.....	332	200	<u>5/6/</u> 132	332	332	100
North Carolina.....	183	(2/)	(2/)	183	183	100
North Dakota.....	283	(2/)	(2/)	283	283	100
Ohio.....	346	(2/)	(2/)	204	204	59
Oklahoma.....	217	(2/)	(2/)	217	217	100
Oregon.....	369	232	<u>4/</u> 137	337	337	91
Pennsylvania.....	296	206	<u>5/</u> 90	296	296	100
Puerto Rico.....	108	88	20	108	43	40
Rhode Island.....	278	192	<u>6/</u> 86	278	278	100
South Carolina.....	178	134	44	178	96	54
South Dakota.....	289	186	103	289	289	100
Tennessee.....	179	146	33	179	115	64
Texas.....	155	(2/)	(2/)	116	116	75
Utah.....	327	238	89	252	252	77
Vermont.....	402	281	<u>5/</u> 121	322	322	80
Virgin Islands.....	131	(2/)	(2/)	131	131	100
Virginia.....	<u>5/</u> 298	(2/)	(2/)	268	268	90
Washington.....	<u>5/</u> 315	(2/)	(2/)	315	315	100
West Virginia.....	275	(2/)	(2/)	206	206	75
Wisconsin.....	383	253	<u>5/</u> 130	342	342	89
Wyoming.....	240	(2/)	(2/)	240	235	98

- 1/ Three recipients may be represented by an adult and two children, two adults and one child, or two children with no allowance for the adult caretaker. In general, standards represent one adult and two children.
- 2/ Data not identifiable in the consolidated standard. Guam did not report.
- 3/ Allowance for summer months; winter allowance higher.
- 4/ Utilities included in rent.
- 5/ Represents highest of several shelter cost areas in State. Other shelter cost areas as follows: Connecticut: \$152, \$102, \$88; Illinois: \$261, \$245, \$217; Kansas: \$125, \$76, \$67, \$56; Louisiana: \$164, \$150; Vermont: \$121, \$102; Virginia: \$298, \$245, \$224; Washington: \$315, \$293; Wisconsin: \$130, \$110, \$85, \$80. Michigan, New York, and Pennsylvania have differentiated local shelter cost areas or pay rent as budgeted.
- 6/ Average rent paid up to locally established maximums.
- 7/ Does not include rental exceptions and quarterly grant prorated monthly.

Table 4.--AFDC family with four recipients 1/: Monthly amount for basic need standard, payment standard, and largest amount paid in July 1975, by State

State	Need standard <u>1/</u>			Payment standard (Amount against which income is applied)	Largest amount paid for basic needs	
	Amount of basic needs				Amount	Percent of need standard
	Total	Other than rent	Rent			
Alabama.....	\$225	\$185	\$40	\$135	\$135	60
Alaska.....	400	(2/)	(2/)	400	400	100
Arizona.....	282	201	81	282	197	70
Arkansas.....	290	250	40	255	140	48
California.....	389	(2/)	(2/)	349	349	90
Colorado <u>3/</u>	264	183	<u>4/</u> 81	264	264	100
Connecticut.....	403	234	<u>5/</u> 169	403	403	100
Delaware.....	287	226	<u>6/</u> 61	287	258	90
District of Columbia....	349	(2/)	(2/)	297	297	85
Florida.....	230	(2/)	(2/)	170	170	74
Georgia.....	227	181	46	227	153	67
Guam.....	(2/)	(2/)	(2/)	(2/)	(2/)	(2/)
Hawaii.....	497	232	265	497	497	100
Idaho.....	395	309	86	344	344	87
Illinois.....	<u>5/</u> 317	(2/)	(2/)	317	317	100
Indiana.....	363	263	100	318	250	69
Iowa.....	376	288	88	356	356	95
Kansas.....	353	228	<u>5/</u> 125	353	353	100
Kentucky.....	235	(2/)	(2/)	235	235	100
Louisiana.....	<u>5/</u> 203	(2/)	(2/)	158	158	78
Maine.....	349	234	115	349	219	63
Maryland.....	314	(2/)	(2/)	242	242	77
Massachusetts <u>7/</u>	304	220	84	304	304	100
Michigan.....	399	298	<u>5/ 6/</u> 101	399	399	100
Minnesota.....	385	(2/)	(2/)	385	385	100
Mississippi.....	277	227	50	277	60	22
Missouri.....	370	295	<u>4/</u> 75	370	150	41
Montana <u>3/</u>	227	159	68	227	227	100
Nebraska.....	328	(2/)	(2/)	328	245	75
Nevada.....	329	(2/)	(2/)	230	230	70
New Hampshire.....	346	221	125	346	346	100
New Jersey.....	356	(2/)	(2/)	356	356	100
New Mexico.....	239	178	61	239	206	86
New York.....	400	258	<u>5/ 6/</u> 142	400	400	100
North Carolina.....	200	(2/)	(2/)	200	200	100
North Dakota.....	347	(2/)	(2/)	347	347	100
Ohio.....	431	(2/)	(2/)	254	254	59
Oklahoma.....	264	(2/)	(2/)	264	264	100
Oregon.....	452	310	<u>4/</u> 142	413	413	91
Pennsylvania.....	349	256	<u>5/</u> 93	349	349	100
Puerto Rico.....	132	112	20	132	53	40
Rhode Island.....	319	233	<u>6/</u> 86	319	319	100
South Carolina.....	217	173	44	217	117	54
South Dakota.....	329	226	103	329	329	100
Tennessee.....	217	184	33	217	132	61
Texas.....	187	(2/)	(2/)	140	140	75
Utah.....	397	289	108	306	306	77
Vermont.....	458	337	<u>5/</u> 121	367	367	80
Virgin Islands.....	166	(2/)	(2/)	166	166	100
Virginia.....	<u>5/</u> 346	(2/)	(2/)	311	311	90
Washington.....	<u>5/</u> 370	(2/)	(2/)	370	370	100
West Virginia.....	332	(2/)	(2/)	249	249	75
Wisconsin.....	456	326	<u>5/</u> 130	403	403	88
Wyoming.....	270	(2/)	(2/)	270	250	93

1/ Four recipients may be represented by an adult and three children, two adults and two children, or three children with no allowance for the adult caretaker. In general, standards represent one adult and three children.

2/ Data not identifiable in the consolidated standard. Guam did not report.

3/ Allowance for summer months; winter allowance higher.

4/ Utilities included in rent.

5/ Represents highest of several shelter cost areas in State. Other shelter cost areas as follows: Connecticut: \$169, \$113, \$98; Illinois: \$317, \$300, \$267; Kansas: \$125, \$76, \$67, \$56; Louisiana: \$203, \$187; Vermont: \$121, \$102; Virginia: \$346, \$293, \$272; Washington: \$370, \$348; Wisconsin: \$130, \$110, \$85, \$80. Michigan, New York, and Pennsylvania have differentiated local shelter cost areas or pay rent as budgeted.

6/ Average rent paid up to locally established maximums.

7/ Does not include rental exceptions and quarterly grant prorated monthly.

Table 5.--AFDC family with six recipients 1/: Monthly amount for basic need standard, payment standard, and largest amount paid in July 1975, by State

State	Need standard <u>1/</u>			Payment standard (Amount against which income is applied)	Largest amount paid for basic needs	
	Amount of basic needs				Amount	Percent of need standard
	Total	Other than rent	Rent			
Alabama.....	\$302	\$257	\$45	\$181	\$181	60
Alaska.....	500	(2/)	(2/)	500	500	100
Arizona.....	360	269	91	360	252	70
Arkansas.....	380	340	40	255	170	45
California.....	506	(2/)	(2/)	448	448	89
Colorado <u>3/</u>	361	275	<u>4/</u> 86	361	361	100
Connecticut.....	510	331	<u>5/</u> 179	510	510	100
Delaware.....	405	332	<u>6/</u> 73	405	364	90
District of Columbia.....	474	(2/)	(2/)	403	403	85
Florida.....	300	(2/)	(2/)	222	222	74
Georgia.....	282	232	50	282	189	67
Guam.....	(2/)	(2/)	(2/)	(2/)	(2/)	(2/)
Hawaii.....	640	320	320	640	640	100
Idaho.....	485	399	86	422	422	87
Illinois.....	<u>5/</u> 428	(2/)	(2/)	428	428	100
Indiana.....	461	361	100	403	350	76
Iowa.....	480	384	96	456	456	95
Kansas.....	431	306	<u>5/</u> 125	431	431	100
Kentucky.....	310	(2/)	(2/)	310	310	100
Louisiana.....	<u>5/</u> 271	(2/)	(2/)	211	211	78
Maine.....	491	329	162	491	305	62
Maryland.....	400	(2/)	(2/)	308	308	77
Massachusetts <u>7/</u>	392	308	84	392	392	100
Michigan.....	529	428	<u>5/</u> <u>6/</u> 101	529	529	100
Minnesota.....	479	(2/)	(2/)	479	479	100
Mississippi.....	345	285	60	345	84	24
Missouri.....	460	385	<u>4/</u> 75	460	215	47
Montana <u>3/</u>	286	215	71	286	286	100
Nebraska.....	420	(2/)	(2/)	420	315	75
Nevada.....	425	(2/)	(2/)	298	298	70
New Hampshire.....	433	308	125	433	433	100
New Jersey.....	459	(2/)	(2/)	459	459	100
New Mexico.....	300	239	61	300	258	86
New York.....	548	368	<u>5/</u> <u>6/</u> 180	548	548	100
North Carolina.....	236	(2/)	(2/)	236	236	100
North Dakota.....	433	(2/)	(2/)	433	433	100
Ohio.....	558	(2/)	(2/)	329	329	59
Oklahoma.....	347	(2/)	(2/)	347	347	100
Oregon.....	612	448	<u>4/</u> 164	557	557	91
Pennsylvania.....	429	328	<u>5/</u> 101	429	429	100
Puerto Rico.....	179	159	20	179	72	40
Rhode Island.....	410	324	<u>6/</u> 86	410	410	100
South Carolina.....	296	252	44	296	160	54
South Dakota.....	409	306	103	409	409	100
Tennessee.....	295	259	36	295	164	56
Texas.....	246	(2/)	(2/)	185	185	75
Utah.....	569	414	155	438	438	77
Vermont.....	564	443	<u>5/</u> 121	451	451	80
Virgin Islands.....	241	(2/)	(2/)	241	241	100
Virginia.....	<u>5/</u> 450	(2/)	(2/)	405	392	87
Washington.....	<u>5/</u> 480	(2/)	(2/)	480	480	100
West Virginia.....	429	(2/)	(2/)	254	254	59
Wisconsin.....	584	454	<u>5/</u> 130	509	509	87
Wyoming.....	350	(2/)	(2/)	350	280	80

1/ Six recipients may be represented by an adult and five children, two adults and four children, or five children with no allowance for the adult caretaker. In general standards represent one adult and five children.

2/ Data not identifiable in consolidated standard. Guam did not report.

3/ Allowance for summer months; winter allowance higher.

4/ Utilities included in rent.

5/ Represents highest of several shelter cost areas in State. Other shelter cost areas as follows: Connecticut: \$179, \$120, \$103; Illinois: \$428, \$411, \$374; Kansas: \$125, \$106, \$98, \$89, \$77; Louisiana: \$271, \$255; Vermont: \$121, \$102; Virginia: \$450, \$386, \$359; Washington: \$480, \$458; Wisconsin: \$130, \$110, \$85, \$80. Michigan, New York, and Pennsylvania have differentiated local shelter cost areas or pay rent as budgeted.

6/ Average rent paid up to locally established maximums.

7/ Does not include rental exceptions and quarterly grant prorated monthly.

Table 6.--AFDC family with eight recipients 1/: Monthly amount for basic need standard, payment standard, and largest amount paid in July 1975, by State

State	Need standard 1/			Payment standard (Amount against which income is applied)	Largest amount paid for basic needs	
	Amount of basic needs				Amount	Percent of need standard
	Total	Other than rent	Rent			
Alabama.....	\$374	\$329	\$45	\$224	\$205	55
Alaska.....	600	(2/)	(2/)	600	520	87
Arizona.....	429	332	97	429	300	70
Arkansas.....	470	430	40	255	205	44
California.....	615	(2/)	(2/)	535	535	87
Colorado 3/.....	432	341	4/ 91	432	432	100
Connecticut.....	623	438	5/ 185	623	623	100
Delaware.....	505	432	6/ 73	505	454	90
District of Columbia.....	601	(2/)	(2/)	511	511	85
Florida.....	360	(2/)	(2/)	266	266	74
Georgia.....	324	271	53	324	199	61
Guam.....	(2/)	(2/)	(2/)	(2/)	(2/)	(2/)
Hawaii.....	768	408	360	768	768	100
Idaho.....	590	504	86	513	513	87
Illinois.....	5/ 510	(2/)	(2/)	510	510	100
Indiana.....	552	452	100	483	450	82
Iowa.....	608	500	108	576	576	95
Kansas.....	499	374	5/ 125	499	499	100
Kentucky.....	345	(2/)	(2/)	345	345	100
Louisiana.....	5/ 336	(2/)	(2/)	262	262	78
Maine.....	633	424	209	633	391	62
Maryland.....	493	(2/)	(2/)	380	380	77
Massachusetts 7/.....	481	397	84	481	481	100
Michigan.....	651	550	5/6/ 101	651	651	100
Minnesota.....	566	(2/)	(2/)	566	566	100
Mississippi.....	398	338	60	398	108	27
Missouri.....	550	475	4/ 75	550	280	51
Montana 3/.....	337	270	67	337	337	100
Nebraska.....	510	(2/)	(2/)	510	385	75
Nevada.....	509	(2/)	(2/)	356	356	70
New Hampshire.....	532	407	125	532	532	100
New Jersey.....	555	(2/)	(2/)	555	555	100
New Mexico.....	373	299	74	373	300	80
New York.....	670	468	5/6/ 202	670	670	100
North Carolina.....	264	(2/)	(2/)	264	264	100
North Dakota.....	485	(2/)	(2/)	485	485	100
Ohio.....	694	(2/)	(2/)	409	409	59
Oklahoma.....	414	(2/)	(2/)	414	414	100
Oregon.....	771	603	4/ 168	703	703	91
Pennsylvania.....	529	428	5/ 101	529	529	100
Puerto Rico.....	226	206	20	226	91	40
Rhode Island.....	507	421	6/ 86	507	507	100
South Carolina.....	375	331	44	375	202	54
South Dakota.....	489	386	103	489	489	100
Tennessee.....	377	338	39	377	164	44
Texas.....	300	(2/)	(2/)	225	225	75
Utah.....	639	465	174	492	492	77
Vermont.....	687	566	5/ 121	550	550	80
Virgin Islands.....	319	(2/)	(2/)	319	319	100
Virginia.....	5/ 547	(2/)	(2/)	492	392	72
Washington.....	5/ 590	(2/)	(2/)	565	565	96
West Virginia.....	544	(2/)	(2/)	254	254	47
Wisconsin.....	665	535	5/ 130	577	577	87
Wyoming.....	440	(2/)	(2/)	440	320	73

1/ Eight recipients may be represented by an adult and seven children, two adults and six children, or seven children with no allowance for the adult caretaker. In general standards represent one adult and seven children.

2/ Data not identifiable in consolidated standard. Guam did not report.

3/ Allowance for summer months; winter allowance higher.

4/ Utilities included in rent.

5/ Represents highest of several shelter cost areas in State. Other shelter cost areas as follows: Connecticut: \$185, \$124, \$107; Illinois: \$510, \$495, \$455; Kansas: \$125, \$106, \$98, \$89, \$77; Louisiana: \$336, \$320; Vermont: \$121, \$102; Virginia: \$547, \$482, \$456; Washington: \$590, \$568; Wisconsin: \$130, \$110, \$85, \$80. Michigan, New York, and Pennsylvania have differentiated local shelter cost areas or pay rent as budgeted.

6/ Average rent paid up to locally established maximums.

7/ Does not include rental exceptions and quarterly grant prorated monthly.