Use of the Survey of Program Dynamics for Studying the Implications of Welfare Reform for Families and Children

Sandra L. Hofferth
Department of Family Studies
University of Maryland
College Park, MD 20742

April 16, 2002

Project Director: Kristin A. Moore
Project Manager: Elizabeth C. Hair

I. Purpose of the Paper

During the early 1990s, with permission from the federal government, states altered welfare rules to forge their own programs. This period of experimentation by states was followed in 1996 by sweeping welfare reform legislation that eliminated the entitlement to public assistance and tightened work and behavioral requirements. At the same time, economic prosperity attracted nonworkers into the work force.

As a consequence of these and other factors, public assistance receipt declined precipitously in the 1990s. Between 1994 and 1999 the number of families on welfare fell 49 percent (Haskins 1999). The female unemployment rate dropped to its lowest level in 20 years, from 5.9 percent in October 1991 to 4.0 percent in the fall of 1998 (U.S. Bureau of the Census 1999). At the same time the labor force participation rate of never-married mothers, which had been stable at levels considerably below that of married mothers, increased from 47 to 68 percent between 1993 and 1999, an increase of 45 percent (U.S. Bureau of the Census 2001).

Public debates have ensued over which is more responsible for caseload declines, public policy or the economy (Council of Economic Advisors 1999). Welfare research to date has been unable to distinguish between these two explanations because most of the recent research has focused on caseload data at the state level (Figlio and Ziliak 1998; Moffitt 1999; Wallace and Blank 1999). Declines in caseloads could be due to increasing rates of exit from public assistance, to decreasing rates of entry, or to both. While changes in entry rates are important, the main thrust of the early state reforms in welfare programs obtained through waivers was to move recipients off welfare, reflected by reports of a small decline in entrances and a more substantial increase in exits from programs in the 1990s (Wilde, et al. 2000).

A secondary issue is whether recipients are leaving through work or through other means. Findings from several studies indicate that recipients are, in fact, working and many are leaving and working after they leave. Two-thirds of recipients leaving public assistance in New York State found jobs (Nathan 1999) and 62 percent of former welfare recipients in Wisconsin were working (Hernandez 1999). Of the Wisconsin leavers, 83 percent had worked at some time since leaving. Similarly, a national survey shows that 61 percent of former recipients who were still off welfare at the time of the interview (1-2 years after leaving) were working (Loprest 1999). A summary of 11 state studies of those who left AFDC found that the majority worked in the first quarter after leaving welfare (Acs and Loprest 2001).

While everyone applauds welfare mothers' movement off public assistance and into work, substantial concern remains, particularly in the event of an economic downturn. Previous research has found high recidivism and rapid returns to AFDC among mothers who leave (Blank and Ruggles 1994; Cao 1996; Harris 1996; Meyer and Cancian 1996; Pavetti 1993; Weeks 1991). And although reports indicate that mothers remain employed at high levels following welfare exit, their well-being is often not greatly improved. For example, one recent study found the median monthly earnings of working welfare leavers to be $1,149, compared with $1,031 for near-poor working families and $1,240 for low-income families (Loprest 1999). State leaver studies find hourly wages averaging $6 to $8 per hour (Brauner and Loprest 1999). Studies from the 1980s found that one-fifth of women who exited were never above poverty in any of the following 5 years (Meyer and Cancian 1998). Compared to mothers who remain on welfare, however, a recent study that took the large increase in the Earned Income Tax

Credit into account found the family incomes of wage-reliant mothers to be 58 percent higher than those of welfare-reliant mothers. Still, a large portion of workers remained poor—62 percent of wage-reliant mothers and 94 percent of welfare reliant mothers (Danziger, Heflin and Corcoran 2000a). In addition, there is concern not only about family economic well-being, but also about the healthy development of children (Zaslow, et al. 1995).

A number of new data sets were developed during the 1990s to study welfare and welfare reform efforts. One of these data sets is the Survey of Program Dynamics (SPD), a survey program of the U.S. Bureau of the Census. The purpose of this paper is to describe how the SPD could be used for studying the implications of welfare use and welfare reform on families and children. It first examines ways to conceptualize welfare reform in terms of changing types of policies. Second, it examines the types of data needed to study the implications of welfare reform for families and children. Third, it examines the information contained in the SPD that could be used for this purpose. Fourth, it speculates on other sources of information that would complement the SPD data. Fifth, it provides an overview of types of analysis that could be conducted. Sixth, it discusses the benefits of different statistical approaches.

II. Conceptualizing the Effects of Welfare Reform

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 fundamentally altered the federal government's promise to maintain a safety net for low-income families. It did so by repealing the entitlement to cash assistance in the 60-year-old program of Aid to Families with Dependent Children (AFDC). Beginning no later than July 1, 1997, each state was required to assist needy families under the Temporary

Assistance for Needy Families (TANF) Block Grant. Cash assistance could not be given to families in which an adult had received assistance for 60 months in his or her lifetime. Also, recipients must work after two years on assistance or even sooner, if the state prefers. These policies have been linked to substantial declines in welfare rolls, 49 percent between its height in 1994 and 1999.

But welfare reform had started earlier. Most states had obtained waivers to federal requirements in the early 1990s. These state waivers established "natural experiments" in program administration beginning considerably before the TANF program was passed (Office of the Assistant Secretary for Planning and Evaluation 1997). In essence, TANF formalized what was already in effect in many states prior to 1996. The substantial decline in the welfare rolls that predated the 1996 legislation— between 1994 and mid-1997 the decline was about 25 percent— is linked to these waivers. Of particular interest are the policies that established: (1) time limits, which restrict total months on public assistance to 60 or fewer, depending on the state; (2) work requirements; whether the state mandates that recipients work or look for work within two years after first receiving public assistance; (3) work exemption for children under age 3; whether states require mothers of children under age 3 to work; (4) earnings disregard; whether states allow recipients to disregard some of their earnings in calculating benefits; and (5) sanctions; whether the state reduces recipients' benefits for failure to meet the work or other requirements. Additionally, strengthened provisions to establish paternity and obtain child support orders as a condition of receiving public assistance may influence recipient behavior. States vary on these policies, of course.

State variation in the timing of implementation of each of these policies can be used to identify policy effects without having to classify states by their overall policy climate.

Effects on Families

Why and how would we expect families to react to changes in public assistance policies? If public policies make receiving public assistance even more difficult, by requiring activities such as job search or employment, by requiring mothers of young children to work, and by sanctioning those who do not cooperate with the rules, recipients may decide that their other options are more attractive. They will simply fail to show up for certification or fail to apply in the first place. Those recipients who follow the rules and work may soon find that their benefits are reduced to the point where they are either no longer eligible or the amount is not worth the hassle. While states that mandate work may reduce their rolls quickly, states that reward work by allowing recipients to keep more of their earnings in calculating benefits or which have higher benefit levels in general, may see their rolls decline more slowly because recipients remain eligible longer as their incomes rise. This approach is expected to pay off in greater self-sufficiency. State economic conditions may make it easier or harder to find a job, and, therefore, leave welfare. Finally, recipients may even change their behaviors in anticipation of policy changes. For example, less needy recipients may leave public assistance or fail to apply in order to preserve their eligibility for the future.

Effects of Policy Changes. There are both facilitative and deterrent effects of waivers on exiting public assistance. Waivers that restrict access to welfare receipt (e.g., sanctions, time limits) or require work activity are expected to increase the rate of work

and the rate of exits from AFDC. The expansion of the earnings disregard, a financial incentive to work, allows young women to remain on AFDC at higher levels of income than before and, therefore, may reduce the rate of welfare exit.

One of the justifications for requiring work is that families will benefit from increased financial resources. Work also increases self-esteem, which may improve mothers' mental health. Yet, moving into employment is not without its stresses and strains, including the stress of adapting to a schedule, locating child care, and obtaining transportation (Hershey and Pavetti 1997; Hofferth, et al. 2000). While some families may do better, others may not. How well they do depends upon the wages they can earn as well as drug or alcohol use and emotional stability. Children whose mothers leave AFDC may show increased behavior problems such as aggression or anxiety even though they do better on standardized tests. It is important to examine a variety of measures of family well-being.

The Economic Well-being of Former Recipients and their Families. An assumption underlying welfare reform efforts was that families' economic well-being would improve by leaving public assistance. If successful, welfare reform policies should increase the rate of leaving AFDC and reduce the rate of reentry, and the ones who leave should be better off financially than those who stay. Welfare reform should also increase maternal employment, a key pathway to self-sufficiency. Financial support from the nonresidential parent may increase as a result of establishing paternity and seeking child support. Financial support may also increase the child's contact with the father. Basic individual measures that are essential to study welfare and welfare reform include presence of partner and number of children, own and partner's employment,

disability, work hours, and earnings. At the family level, total family income, receipt and amount of public assistance, food stamps, SSI, Medicaid, other private transfers, and child support, poverty, and food security. Expenditures include expenditures on food, housing, and health insurance/health care.

While these measures can be used as indicators of family well-being, children may suffer due to lower income, maternal employment difficulties, and the failure to access support services. Welfare administrators traditionally have viewed their responsibility as being to the mother, even though AFDC was originally conceptualized as support for children (Moore 2000). Recent efforts have focused upon the effects of policy changes on children. Public policies can affect children through economic resources, the dynamics of the family, and parental psychological well-being (McGroder, et al. 2002; Morris 2002). Some programs may be more effective in changing one than another. If the long-run goal is to assist the next generation, it is important to examine children's well-being directly and the pathways of influence (Zaslow, et al. 1995).

Effects of Welfare and Welfare Reform on Children

To examine the effects of welfare reform on children we need to examine how children are influenced by changes in their parent's behavior. We don't expect direct policy effects on children's development, because policies are not so designed. Rather, we expect effects to be felt either because their parents are employed or because their parents lose welfare benefits. Thus the ideal project would examine what happens when parents leave welfare for work or other reason. It would randomly assign some mothers to employment and others to marriage. A third group would have their benefits arbitrarily cut, and a fourth group would be unaffected. This design would avoid the

confounding of motivation with the treatment. Unfortunately, even if possible, we cannot ethically conduct such an experiment. And, even if we could, it is unlikely that all those assigned to work will work and all of those arbitrarily kicked off will not. As a nonexperimental alternative, we identify families on welfare and follow them to measure the well-being of their children over time after leaving welfare. Such a study would take into account differences in family income, maternal employment, any receipt of public assistance, and contact with the nonresidential parent. Alternatively, we could compare the well-being of children of leavers with those of stayers. The latter tells about the relative benefits of leaving versus staying.

Research to date has examined differences in child development associated with differences in receipt of welfare (Kalil and Eccles 1998; Moore and Driscoll 1996; Zaslow, et al. 2001a). The methodological problem is that, in the past, families that received welfare were likely to differ in many ways from those that did not, even just examining those of low income. Welfare reform has provided a "natural experiment" in that policies have forced some who would otherwise have remained on welfare for a long period to leave. Thus, leavers and stayers may be less distinct than in the past.

Just as does welfare, welfare reform may have positive and negative effects that offset one another. This could result in null findings. As an example, one study of treatment-control differences in maternal subjective state three years after random assignment to the Teen Parent Demonstration project, a welfare-to-work program, found no effects (Brooks-Gunn and Berlin 1993). The effects may also depend on the duration of time since last receipt of welfare. Hofferth et al. (2000) found that the well-being of children whose mothers were off welfare for a year or less was lower than that of those

off welfare for longer or who had never been on welfare. The potential effects of welfare reform are depicted in Figure 1 (see p.37).

The well-being of children is expected to depend on how the mother leaves welfare, through work or through sanctions. Leaving welfare may improve child well-being if hours and wages increase. One study found that children of former AFDC recipients have higher scores on a test of math achievement if their mothers earn higher wages (Moore and Driscoll 1997). Net of other factors, employment also lends structure and consistency to family lives through scheduling of time around work, which is hypothesized to improve maternal self-efficacy and self-esteem, and reduce depression (Hair, et al. 2002; Zaslow, et al. 2001b). Children's time in preschool programs is likely to increase. Employment may increase the verbal skills of the mother, leading to increased reading to her child. An alternative hypothesis is that both wages and children's achievement may be linked to mothers' cognitive ability, in which case there will be no link between employment changes and child achievement. Regardless of maternal verbal skills, increased income might result in families' increased ability to pay for children's participation in activities such as lessons, sports, and clubs and other organizations (McGroder, et al. 2002; Morris 2002). It may lead to increased ability to take children to public facilities that may require an admission fee, such as the zoo or museum. The increase in out-of-home activities may lead to less television viewing overall, since television viewing takes place mainly at home (Hofferth and Sandberg 2001a).

On the other hand, welfare reform may decrease family well-being. If mothers are unable to get and keep a job, families may experience increased strain and anxiety as

well as lowered income (McGroder, et al. 2002). If mothers work, total family resources may not increase initially since welfare benefits decline. Most of the jobs these women enter pay the minimum wage and offer no benefits; thus, their actual disposable income may decline if child care and health care benefits are discontinued. Additionally, starting regular employment and managing time, children's care arrangements, transportation, and the demands of a new job may be stressful for both parents and their children. Marital or partner conflict and marital problems may increase. AFDC mothers are more likely than non-AFDC mothers to be in jobs that are less desirable (Menaghan, et al. 1998). Therefore, AFDC mothers may have increased depression and lowered self-efficacy, particularly in the first few months of employment, compared with non-AFDC mothers (Hair, et al. 2002; Zaslow, et al. 2001b). Since initial difficulties may be offset by higher self-esteem and self-efficacy later on (Parcel and Menaghan 1994), short term declines in well-being may be followed by long term improvement (Hofferth, et al. 2000).

In the late 1980s and early 1990s, Canada and states as diverse as Minnesota, Wisconsin, Michigan, California and Georgia tested a variety of interventions to increase the earnings of welfare families (McGroder, et al. 2000; Huston, et al. 2001; Gennetian and Miller 2000; Morris and Michalopoulos 2000; Bloom, et al. 2000; Morris 2002). The results of these earlier projects shed light on what the long-term consequences of the work provisions in TANF may be for families and their children. Women enrolled in programs that included a substantial subsidy for work, that required work of 30 hours or more, and that provided substantial support services such as child care worked more, had higher earnings and were less likely to be poor. The larger the subsidy, the larger the

gains. None of the programs significantly changed parents' emotional or physical health, the quality of parent-child interactions, or the home environment. However, some studies found that elementary children's achievements in school and their behavior improved when they were in the test programs. Studies in Minnesota and Canada suggest that the greater financial and emotional security, benefits such as health insurance, child care and afterschool activities provided by the programs account for these improvements. Adolescent youth in program families, however, showed more problem behaviors such as staying out late, smoking, drinking and using drugs (Brooks, Hair and Zaslow 2001). Studies suggest that supervised after-school activities are important for keeping the children of newly employed welfare mothers out of trouble.

Mediating and Moderating Effects: Parenting. Many of the effects of welfare reform are likely to operate indirectly on child achievement and social behavior, either through parenting or through family climate (McGroder, et al. 2002). Research has found that parenting that is strict and highly directive (clear rules and sanctions for violating them plus close supervision) combined with high levels of warmth, distinguishes high achieving poor inner-city children from their low-achieving peers (Baldwin, Baldwin and Cole 1990; Clark 1983; Jarrett 1995). It follows that parenting that is punitive and lacks warmth will be associated with lower achievement and possibly greater behavior problems. When controls for emotional support and cognitive stimulation in the home are included, the disadvantage in verbal, reading, and math skills among persistently poor children compared to middle-class children in the NLSY is reduced by one-third to one-half (Korenman, Miller and Sjaastad 1995). Another study using the National Education Longitudinal Study found that statistically controlling for parental education and home

supports reduced the effect of poverty on reading achievement by more than half (Lee and Croninger 1994). Additionally home resources such as books, computers, and trips make a difference to children's achievement in the summer when high-SES children improve their skills and low-SES children lose ground (Entwisle, Alexander and Olson 1997).

Family Emotional Climate. Poor adults have more mental health problems than nonpoor adults, and mothers with more mental health problems exhibit fewer positive behaviors and more hostile, dominating and coercive disciplinary behavior (Dix 1991; Downey and Coyne 1990). In addition, poor adults experience more negative life events and chronic conditions, and negative events increase punitive, harsh and inconsistent parenting behavior. Such childrearing behaviors are predictive of socioemotional problems in children (Yoshikawa 1994; McLoyd 1990; McLoyd 1998). Several studies have reported a higher prevalence of emotional and behavior problems among poor and low-SES children than among their middle-class counterparts (Adams, Hillman and Gaydos 1994; McLoyd, Ceballo and Mangelsdorf 1996). Hofferth et al. (2000) found that maternal depression, alcohol use, and family conflict partially explained the association between recent welfare receipt and children's behavior problems.

A recent set of studies based upon data from the national evaluation of welfare to work studies suggests that parenting practices (cognitive stimulation, support and parental attitudes) mediates the effects of maternal literacy and depression on child outcomes (Zaslow, et al. 2001b; Hair, et al. 2002).

III. What Data are Needed to study the Implications of Welfare Reform for Families and Children?

Dynamic vs. Static Analyses

There are at least two different ways to analyze the effects of changed policies. The first is dynamic, examining behaviors and outcomes that might expect to be changed in the short-term, such as changes in welfare and employment status. The second is more static, examining outcomes such as children's achievement and behavior one and two years after welfare reform was implemented. The dynamic approach is appealing in examining policy effects since there may not be enough variation in policies over a relatively short period of time to be able to identify effects. That is, while most states modified their policies to meet TANF requirements within calendar year 1997, some already had implemented versions of these policies during the early 1990s; any effects of additional changes in 1997 may be very small.

Additionally, some behaviors still must be tied to a particular month or quarter, such as employment entry or exit, births, and first sexual intercourse. It is more precise and better justified to locate the particular transition or event in time relative to an event such as entering AFDC or changes in policies. Particular sequences of policy and behavior can be associated with this more precise timing. While understanding the dynamics of the timing of events may not seem as important to understanding family well-being, the truth of the matter is that timing does matter. It makes a difference whether the family has been off public assistance for 6 months, 1 year, or 1 and ½ years. Six months may not be long enough to have established a job, a routine, and other

sources of income. Comparing families at very different times since exit from public assistance underestimates the progress of the earlier exiters. However, since the data are not consistently available by month, and some outcomes are not time-linked, both approaches are discussed here.

Transitions. One way of examining whether policies change behavior is to examine rates of the behavior (exits from public assistance, entry into public assistance, employment, first sex, pregnancy) before and after the implementation of the policies at issue. This requires having access to a sample of individuals who are receiving public assistance before policy changes go into effect and after they have gone into effect. To examine the implications of changes in public assistance receipt on continuous outcomes, one could also examine the outcomes before and after leaving public assistance. While one cannot establish causality, one can provide information on trajectories and on outcomes net of controls.

Static Outcome Variables. Some outcomes do not change quickly in response to changes in policies, income, or employment. Therefore, it makes more sense to analyze them in a less time-dependent manner. One way to analyze static outcomes would be to compare levels of the outcome variable, such as income or children's behavior problems before and after the change at issue. For policy changes, one could describe the incomes of all low income public assistance-eligible families before and after policies went into effect. We know that one of the effects of welfare reform was to reduce the proportion receiving public assistance. To describe the implications of changes in AFDC receipt, one could first describe the proportion leaving assistance and then describe the well-being of former recipients' families within the first two years after leaving AFDC. While it is

important to compare former recipients with each other at different periods of time after leaving AFDC, the question remains as to the well-being of those who left AFDC but were unsuccessful at staying off and went back on public assistance. Therefore, a complementary type of analysis would compare those who return to public assistance within two years with those who remain off.

Data Needs

The first requirement for studying the implications of welfare reform for families and children is that data be available prior to and following passage of welfare reform legislation in August 1996 and preferably data from the early 1990s when the waiver policies were being implemented. Analysts will not be able to evaluate the effects of welfare reform on data that do not have extensive time variation. The requirements are more rigorous for dynamic than for static analyses, including longitudinal data on individuals of all ages, monthly data on employment and public assistance receipt of all kinds, as well as individual characteristics and transitions. Total work experience should be calculable from the monthly work data. Monthly data on marital status, births, and number and ages of family members are needed. Years of schooling, disability status, and state of residence can be obtained on a less frequent basis, as these are more stable.

While data on the same individuals before and after policy changes occur are not needed for every outcome, short-term longitudinal data on individuals are required in order to obtain individual rates of exit from or entry into public assistance. With these data, monthly rates of the behavior at issue (welfare exit, entry, reentry) can be calculated for each individual, depending upon their initial status as a welfare recipient, former

recipient or eligible nonrecipient. Finally the length of time since the spell began and whether the spell is a first or later spell are needed. This can be obtained through a direct question or through long-term longitudinal data collection. Analyses conducted at the annual level just need these data for the previous 12 months. Other types of variables such as race/ethnicity of the head can be obtained at only one point in time.

When it comes to characteristics or outcome variables that are collected only in a certain module or at a certain time point, then the following questions need to be asked: First, is this a one-time only set of outcomes? If so, then the variable is less useful to identify the implications of welfare reform. Second, were data collected prior to August 1996? If these are data from two time points and one was prior to 1996, then it may be possible to use this outcome. How many time points are available? Can the time be pinpointed? For example, multiple measures of income and benefit receipt are obtained. Can these be timed to a month or group of months? What about measures of depression? Are they multiple, connected to a given point in time? If measures are only obtained once a year, do they describe the entire year, or a particular point in time? Are these permanent characteristics of the families or individuals, or do they reflect the time the questions were asked? These questions will facilitate determining whether the variables can be used as possible outcomes of welfare reform or whether they are social indicators, useful for describing a population, but that cannot be associated with policy changes.

IV. What Relevant Information is Contained in the SPD?

The SPD fulfills most of the requirements for the transition analyses in that it contains monthly data on many outcomes. Employment and public assistance receipt can

be determined monthly, therefore permitting the dynamic analyses of exits and reentry proposed above.

Income is available on an annual basis. To determine financial well-being at a certain time point, monthly (or quarterly) income can be estimated by dividing annual income by months (or quarters) worked during the year. This makes the variable comparable to other income and expenditures collected on a monthly (or quarterly) basis, such as SSI, child support, and food stamps. Number of persons in the household, their ages, relationship, and when they entered and exited during the year can be determined from the survey data, permitting monthly accounting of the number and ages of children, births of children, family size, and changes in marital status of family members.

Many other indicators of family well-being are obtained at the survey date. This includes information on assets, health insurance, food expenditures, child care expenditures, car expenses, educational expenses, disability, and health care expenses. maternal employment and work schedule. School enrollment, preschool program enrollment, and child disability are useful and available this way.

Most of the measures of outcomes for children and adolescents in the SPD are specific to the date of the survey or the past year. Some examples of behavior over the past year include participation in sports teams, frequency of getting homework done on time, and whether a child has run away from home. An example of current behavior is "How often in the past week have you read stories to (child)?" Some of the well-being measures for children can be measured at the annual level into the past. For adolescents, age of initiation of cigarette smoking, drinking and marijuana use is asked in age categories, so it can be linked to a specific two-year period in the past. Age at first date

and age at first sexual intercourse are obtained, so they can be attached to a specific year. Month and year of last contact with the parent outside of the home is obtained, so that can be dated to the month.

Outcome Measures for Children

Ideal outcomes of welfare reform for young children would be higher cognitive test scores and lower scores on the problem behaviors index. Since the SPD does not measure children's achievement, the hypothesis of improved achievement cannot be tested. It does ask questions about behavior problems for elementary school-age children, so hypotheses about aggressive and withdrawn behavior can be tested. For adolescent children appropriate outcomes contained in the SPD include less sexual activity and contraceptive use, less substance use and fewer problem behaviors, obeying parental limits, and school engagement (Kinukawa, et al. 2002).

Other types of variables can serve as intermediate outcomes or mediating factors. A good example is reading to the child. While reading to a child per se is not the same as higher cognitive scores on tests, children whose mothers read to them regularly tend to have higher scores on tests of language recognition (Hofferth 1999b). Employment may increase the verbal skills of the mother, leading to increased reading to her child. It is important to identify children's participation in preschool programs and in activities such as lessons, sports, and clubs and other organizations. To the extent that welfare reform increases income, families will have an increased ability to take children to public facilities that may require an admission fee, such as the zoo or museum, and to support them in preschool and enrichment programs. It may lead to less television viewing

overall. Thus television viewing, particularly viewing educational programs, is an important potential outcome of changes in families. The item in the SPD answered by young children's parents that comes closest to monitoring is the variable asking whether they have rules about their children's television viewing (Kinukawa, et al. 2002).

For adolescents, extent of parental monitoring, limit-setting, and relationship to residential and nonresidential parents are important mediators of behavior. The youth-reported relationship with the residential mother and residential father can be used as indicators of the warmth of the relationship with that parent. Participation in family routines, responsibilities at home, and participation in household chores indicate participation in family life. Youth attitudes about pregnancy and knowledge of welfare legislation also may provide insight into the potential future behavior of the youth.

Other factors set the type of climate in the family and may mediate or moderate children's outcomes. These include maternal depression and marital conflict. Contact with nonresidential parents is likely to affect the climate in which the child is reared. It is likely to be associated with visitation and with greater child support, and thus may have a positive effect on the child and residential family. The impact may depend upon the child's relationship with the nonresidential parent. The level of maternal depression is a reasonable indicator of the level of parental mental health problems. The level of conflict in the home can provide a crude measure of the family emotional climate and this may serve as a mediator or moderator of the relationship between parental employment and child outcomes. For those children with a non-residential parent, the level of contact with and relationship with that parent may be a moderator of children's well-being.

The major advantages of the SPD are 1) large sample size, 2) the availability of data on the same children and families over a long period of time, and 3) the availability of data on children and families during the early 1990s, prior to welfare reform. The major limitation of the SPD is low survey response rates compared with other surveys. A second limitation is the very limited set of outcome measures for young children. Achievement test scores were not obtained. The variables obtained are mainly mediators, not providing a good sense of how well the children themselves are doing. The majority of outcome measures are for adolescents, and these are contained in a self-administered booklet to which the survey response rate was only 58 percent. While the latter are good measures, and item response rate is high, adolescents who responded are likely to differ from those who did not.

V. How does the SPD Compare to Other Data Sets?

Three major longitudinal data collection efforts on children were begun about the same time as the SPD—the Child Development Supplement to the Panel Study of Income Dynamics (Hofferth, et al. 1999a), the National Survey of Adolescent Health, and the NLSY97 (West, Hauser and Scanlan 1998). The first focused on children under age 13, the second focused on children age 12 and older, and the latter focused on youth 12-16. These surveys included children of all ages in their respective age ranges.

The CDS study sample comes from the Panel Study of Income Dynamics (PSID), a nationally representative sample of U.S. men, women, children, and the families in which they reside which has been followed for more than 30 years. Until 1997, measures were collected annually from interviews with one adult respondent about all family

members, but only limited information was available on children and parental interaction. During the spring and fall of 1997, information on up to two randomly selected 0-12-year-old children of PSID respondents was collected from the primary caregivers, from other caregivers, and from the children themselves (Hofferth, et al. 1999a). The Child Development Supplement (CDS) completed interviews with 2,394 child households and about 3,600 children. The response rate was 90 percent for those families regularly interviewed in the core PSID and 84 percent for those contacted the first time in 1997 for an immigrant refresher to the sample, with a combined response rate for both groups of 88 percent. When weights are used, the results have been found to be representative of U.S. individuals and their families (Fitzgerald, Gottschalk and Moffitt 1998a).

Add Health is a school-based study of the health-related behavior of adolescents in grades 7-12 (Udry 2002). It has been designed to explore the causes of these behaviors, with an emphasis on the influence of social context. Data were collected in 1994 in the school and in 1995 and 1996 in personal interviews in the home. Follow-up data were collected in 2001. The survey provides detailed individual and family information for about 15,000 adolescents.

The 1997 National Longitudinal Survey of Youth began with a cohort age of 12-16 years old. The NLSY97 is a nationally representative sample of 9,022 non-institutionalized youth age 12-16 on December 31, 1996 (Bureau of Labor Statistics 2002). The cohort is followed annually through personal interviews. The survey provides information about the transition into the labor market, family relationship and processes, family formation, and college attendance. The data are supplemented with interviews with parents in wave one.

Several new education surveys of children are relevant here. The Early Childhood Longitudinal Survey-Kindergarten cohort, with a sample size of over 20,000, also was begun in the mid-1990s and follows a kindergarten cohort over time through 5th grade (National Center for Education Statistics 2002). The National Household Education Survey studied a cross-section of children in 1991, 1993, 1995, 1999 and 2001 (National Center for Education Statistics 2002). The National Educational Longitudinal Survey (NELS) is a longitudinal study of 26,000 randomly selected eighth-grade students attending school in 1988. These students were reinterviewed in 1990, 1992, 1994, and 2000 (National Center for Education Statistics 2002).

Finally, the National Survey of American Families was begun in 1997. While not a survey of children, it does ask parents about their children and obtains information on income and public assistance. Two waves of data collection, in 1997 and 1999, have been completed to date and a third will be in the field in 2002. The NSAF is a nationally representative study that collects by phone information on the economic, health and social well-being of adults under the age of 65 and their families. In 1997 interviews were conducted with over 44,000 households with 100,000 people (The Urban Institute 2002).

The advantage of the other longitudinal surveys of children is that test scores and/or grades are available for the children, providing a good measure of the achievement of the children in the study. In addition, substantial information is obtained on behavior problems as reported by parents and by adolescents as well as some of the same mediating and moderating variables included in the SPD. The PSID-CDS and the NLSY97 obtain comparably detailed information on the income, public assistance and

other crucial measures to examine family well-being as does the SPD. They also obtain excellent parenting information. The Add Health Survey does not have the level of family income detail, but has excellent outcomes and parenting information. Survey response rates are very high.

VI. What other Sources of Information would Complement the SPD?

The most important addition that could be made to the SPD is state of residence by month for each individual, though annual residence is a reasonable proxy. The following are some other additions to the file that would assist analysts, though analysts could do this themselves if they could identify state of residence.

Public Policies. As discussed above, the following are the policies that would be recommended for study. These are the ones linked to work and childbearing, have been used by the Council of Economic Advisors, and have been found to be linked to individual behavior in some studies: (1) time limits (limits to the length of time recipients could receive assistance, often less than the 5-year time limit later set in PRWORA) (2) work requirements (whether family members are required to work within 2 years after starting assistance); 3) how young the youngest child had to be in order to be exempt from the work requirement; (4) expanded earnings disregard (allowing recipients to keep a portion of their earnings before they lose a dollar of cash assistance for every dollar they earn); (5) the family cap (restricting cash assistance to women who have additional children while on welfare); and (6) whether states increased the severity of sanctions for failure to work or meet other requirements. These represent the major policy innovations, and policy makers seek information on their implications.

The earliest waivers went into effect in New Jersey and Michigan in October and in California in December of 1992, with 8 states following in 1992-93, and the rest implemented in 1995 and 1996. While there is information on dates of approval and implementation, we recommend focusing exclusively on implementation, following the lead of the Council of Economic Advisors (CEA) (Council of Economic Advisors 1999; Isaacs, Crouse and Lower-Basch 1999). If the policy was never implemented, recipients are unlikely to be affected. In addition, we focus on when policies were implemented state-wide rather than first implemented in a subset of counties. If never implemented state-wide, following the CEA, they are not included. Appendix Table 1 presents a state by state summary (see p.38-39).

We recommend treating each waiver policy separately. While many studies at the state level simply included a dummy variable to indicate when and whether the state first implemented a waiver (Figlio and Ziliak 1998; Moffitt 1999; Wallace and Blank 1999), this approach obscures the effects of specific policies since the positive and negative effects of different policies on the rate of welfare exit offset each other and the size of the effect of having any waiver may be reduced to insignificance.

A comparable set of post 1996 TANF policies should also be added to the file. These would need to be exactly the same coding in order to draw conclusions about the influence of changes in specific policies through the 1990s on individual behavior and family well-being. Because many policies changed at the same time, there may not be enough variation in the timing of policy implementation after 1996 to sort out the effects of policies that were only implemented post-TANF. Alternatively, a before- and after design could be implemented, taking into account the policies the state had in place pre-

TANF. There would be variation in amount of policy change, since some states had already implemented TANF-like policies before August 1996. Effects may be concentrated in those states without waivers prior to 1996.

Economic Context. Indicators of the state economic context—the state unemployment rate and the state median income, as well as the state AFDC benefit level, would be helpful to attach to the file. The unemployment rate is an indicator of the availability of jobs in the state, which has been linked in the 1990s to greatly increased employment among welfare populations and other low-income groups and to their exits from welfare (Hoynes 1996). In areas of higher unemployment where jobs are harder to find, there are fewer alternatives to welfare and women should be less likely to leave public assistance. We expect work exits to be especially sensitive to the unemployment rate. The economic conditions in the area will also affect a mother's willingness to find a job. Higher median incomes, however, mean higher cost of living as well as higher salaries. While higher incomes may attract women into the work force, the higher cost of living in such states may also make it harder for mothers to make ends meet on low wage work. Median income is correlated with the state maximum AFDC benefit level for a family of 3 persons. Higher AFDC payment levels also tend to be associated with lower exits, as welfare is more attractive in states with higher benefit levels.

The potential real income available from welfare is determined by the welfare cash benefit level of the state as well as by the availability of certain noncash benefits, such as food stamps, Medicaid or subsidized childcare and housing (Blank and Ruggles 1994; Ellwood 1988). However, welfare benefits may be valued less than other types of income because of nonmonetary costs in the form of transaction costs, mandatory

participation in training programs, work requirements, or stigma (Ellwood 1988; Moffitt 1983). In theory, states with high benefit levels make the program more attractive relative to generating other sources of income because not only is welfare income higher, but the amount one can earn and still receive cash benefits is higher (Moffitt 1983). These different aspects of welfare policies and the economy vary over time and across states. Such characteristics need to be attached to individual records by month (or year) and by state of residence.

VII. How Could the SPD be used to Study Welfare and Welfare Reform?

The SPD could be used to analyze changes in rates of exit from public assistance, changes in rates of reentry, and family and child well-being. The sample could consist of mothers who headed their own household at least once over the study period. Data come from family information and from information on heads and wives in these families. Recommended are three different types of analysis samples, one for exits from AFDC, a second for reentry into AFDC, and a third file to examine the well-being of former welfare recipients.

Exits. The welfare exits file would consist of a sample of female heads with children at the start of a spell. The spell consists of two or more months of continuous AFDC receipt, and begins with the first 2 months AFDC is received. The analyst can distinguish between working off and other ways of exiting AFDC. Working off may be defined as working in a three-month window around exit. Two files could be constructed: a person-month file, which is a file with a separate record for each month on AFDC for each person over the period of analysis and a separate file with one record for

each spell of public assistance over the same period. The statistical model would use a competing risk hazard model, using logistic regression to examine overall exit probabilities and multinomial logistic regression to estimate exit probabilities due to work or to other factors.

Reentry. For returns to public assistance, a sample of women who are heads or wives with children at the start of the spell, who were ever on public assistance, would be used. This spell consists of a period of two or more months of continuous non-AFDC receipt following a period of AFDC receipt. Here the analyst may distinguish how spells began—with work, marriage, both work and marriage, or something else. Again, we recommend a file with a separate record for each month off AFDC for each person who had a spell of non-AFDC following an AFDC spell for the analysis period. For entrances, the statistical model would use logistic regression. In the multivariate models of exits and entrances, transitions would be regressed on policies, adding controls for demographic factors, state, and the 1993-1996 period.

First entry into public assistance. This file would consist of female family heads with children under age 18 who are eligible for public assistance but have not previously been on AFDC. Since the SPD covers a limited time-period, it will be impossible to determine whether a woman has previously been on AFDC if the spell occurred before joining the SPD. Nor can the analyst determine the length of the current non-AFDC spell. Therefore, we do not recommend examining first entry, but focusing only on reentry.

Well-Being. For the analysis of the financial well-being of former welfare recipients and their families, the same analytic file as for returns to AFDC—that is, those

who had left AFDC—can be used. Again, this is a person-month file. The best strategy is to label the first month no longer on AFDC as month 1 and to examine a variety of measures of family well-being at 1, 6, 12, 18 and 24 months after leaving AFDC. Women off welfare can be compared according to the length of time since they left AFDC and whether they were off continuously or returned. Women off welfare can also be compared with those who went back on welfare, by the length of time since leaving AFDC. Means on indicators of the well-being of former recipients can be calculated across time.

The above approach works well for information collected in the core SPD on a regular basis, such as employment, earnings, income, benefit receipt, and insurance.

Child Well-being

For measures of child well-being reported by parents and collected in several waves of the survey, a first difference model could be used to compare the outcome scores of children before and after the 1997 welfare law passage, controlling for a variety of other changes that occurred in the family and the economy over the period.

A second adolescent self-administered questionnaire is in the field. Thus difference scores could be created. However, neither of these instruments was fielded prior to 1997. For measures of child well-being that are obtained only after welfare policy changes were made, a different type of analysis is recommended. For this analysis, one might use a model such as Hofferth, et al. 2000, in which comparisons are made between children of mothers by the current or previous welfare experience of that mother—currently on welfare, off 1 year or less, off 1-3 years, and not on welfare in the

last 3 years. Another model is that of Zaslow, et al. 1995, and Smith et al., 2001, in which the variables are never on welfare, always on welfare, entered welfare, exited welfare and remained poor, and exited both welfare and poverty. Since these compare families with different welfare and poverty histories, any differences in the well-being of children could be due to unmeasured between-family differences rather than to differences in the welfare receipt status of the family. The evaluation is of different trajectories, not policy changes. However, with only post-reform outcome measures, there is no alternative.

VIII. Benefits of Different Statistical Approaches

It is impossible to use random assignment to study the impact of PRWORA on families. This is because TANF was implemented across the entire United States. No experiments were implemented with the full program. The only way to obtain variations necessary for testing the effects on the full TANF program is by taking advantage of state-level variation in timing of implementation and in state variation in program policies. With the SPD, researchers can also take advantage of the pre-TANF waiver variations across states beginning in the early 1990s. An alternative approach uses data from experiments conducted during the early 1990s, such as are discussed in section II; however, none compares exactly to the TANF program passed in 1996.

Statistical Techniques to Adjust for Unobserved Differences

Given that experimental methods are not possible, how do we know whether changes over time are due to changes in public policy or to different state climates and

changes within states over time, such as changes in economic prosperity, unemployment, wealth, immigrant and minority composition, and so on? To adjust for differing types of policies in different states, a fixed effects model can be estimated. We focus our attention on the variation at the state level. Since state variation is our focus, we wish to alleviate bias in our estimates of the effects of state policies. We begin with a simple model specification in which the outcome depends only on the state policies, controls, and an individual error term:

$$(1)\quad y_{ist} = \beta_x x_i + \beta_z z_{it} + \beta_w w_{st} + \beta_d d_t + e_{ist}$$

The error term e_{ist} is specified as:

$$e_{ist} = \alpha_i + \delta_s + v_{ist}$$

where:

y = propensity for the outcome,[1]
x = time invariant covariates,
z = time-varying covariates,
w = state context and policy variables,
d = year dummy variable,
β_x, β_z, β_w, β_d= coefficients on x, z, w, and d,
α, δ, v = fixed individual, fixed state, and random error terms, and
i, s, t = individual, state, and time subscripts.

The coefficients on x, z ,w, and d can be estimated by OLS if we assume that the error term e_{ist} is uncorrelated with the independent variables, x, z, w, and d. A concern in much of the literature on policy effects is that omitted characteristics of states (such as social norms and culture) are associated with observed state policies, therefore biasing coefficient estimates. One method of estimating policy effects under these conditions is to use the covariance or "within" estimator to control for fixed state effects.

[1] If the observed outcome, Y, is continuous, then Y = y. If Y is discrete then Y = 1 if y > 0 and 0 otherwise.

There are two ways to do this. In the first method, dummy variables are used to control for each state for which we have multiple individuals and several months of data. In this fixed effects approach, policy changes are compared within states rather than across states. This eliminates the concern about underlying differences between states that lead to both certain policies being passed and to certain outcomes (like higher rates of exit from public assistance).

If we have actual integer values of outcomes, such as income, we can utilize a second approach, which involves subtracting means over time from individual values. With only two time periods this is the same as differencing values across the two years (Hsiao, 1986). We eliminate fixed individual effects and state variables that remain constant over the period. For those who move, we retain a dummy variable $\Delta\delta_s$ indicating the difference between the two states. If data are drawn from surveys administered in 1997 and 1999, for example, before and after 1996 welfare reform:

(2) $y_{ist}-y_{ist-2} = \beta_x(x_i-x_i) + \beta_z(z_{it}-z_{it-2}) + \beta_w(w_{st}-w_{st-2}) + \beta_d(d_t-d_{t-2}) + (\alpha_i-\alpha_i) + (\delta_s-\delta_s) + (v_{ist}-v_{ist-2})$

and (3) $\Delta y_{it} = \beta_z \Delta z_{it} + \beta_w \Delta w_{st} + \beta_\delta \Delta\delta_s + \Delta v_{ist}$,

where $\Delta a_t = a_t - a_{t-2}$ for any variable a.

With only two time periods, the covariance estimator is the same as applying OLS to equation (3) to estimate β_w.

Child Outcomes Using Structural and Sibling Models

For child variables for which we have only one data point, we recommend a structural modeling approach. The standard approach would be to examine the association between welfare receipt in the previous several years and child outcomes.

The parenting and family climate variables (Hofferth, et al. 2000) can be added in another step and the association between recency of welfare receipt and outcome measures examined. The direction of any effect found cannot be determined with any certainty since parenting and family climate data are collected at the same time as the outcomes.

A second approach is to adjust for fixed family effects by using sibling models. This assumes that data are available on several children within one family. We begin with a simple model specification in which the child's score on a cognitive test depends only on family characteristics, individual characteristics, state policies for a child at a certain age, an individual error term, and a family error term.

$$(4)\quad y_i = \beta_x x_f + \beta_z z_i + \beta_w w_i + \varepsilon_i + \delta_f ,$$

where:

y=the outcome, e.g., score on an age-standardized achievement test
x=family factors that are the same for all family members, such as income
z=individual characteristics that are unique to each child, such as age, health, or lived apart from the mother in early childhood
w=policy variables, such as lived in a state with poor benefits in early childhood
i,f= individual and family subscripts

Differencing the scores of two children in the family eliminates the family fixed effect, δ_f, as well as the variables that are the same for both children in the family, x_f (Hsiao, 1986). One source of difference in individual experience would be if one child lived apart from the mother before age 3 and another child lived with the mother at the same age. Another potential source of difference would be attendance at different preschool or school programs. If our interest is solely in the effect of differences in policies, we can only obtain estimates from families in which children experienced different policies at the same age, such as one child experiencing relatively liberal policies right after birth and the younger sibling experiencing more restrictive policies at

that age. The small number of cases is a major limitation of this particular technique (Geronimus & Korenman, 1992; Hoffman, Foster & Furstenberg, 1993), as is the inability to include families with just one or no children. This could be part of an overall strategy for identifying effects, but should not be the only method used.

IX. Summary and Conclusions

The 1990s was a period of substantial change in public assistance rules and in recipient behavior. Economic conditions were also favorable. Welfare rolls declined and single mothers entered the work force. It is important to know how effective the program was and what impact economic conditions may have had. Since TANF was implemented without experimental interventions or treatment, nonexperimental methods for evaluating program effectiveness are needed.

This report addresses the usefulness of a new survey, the Survey of Program Dynamics, or SPD, for research on the well-being of children and families as a result of changing public policies on public assistance receipt that occurred in the 1990s. The methods proposed in this paper use non-experimental techniques for the evaluation of the effects of changes in public assistance policies on the well-being of children and their families in the 1990s. For adults, they take advantage of state-level variation and variation over time in the implementation of TANF policies both prior to 1997 and after 1997. These methods are possible because the SPD collected monthly data on receipt of public assistance benefits and has employment histories. The proposed methodology requires preparation of a monthly file of employment and public assistance receipt using

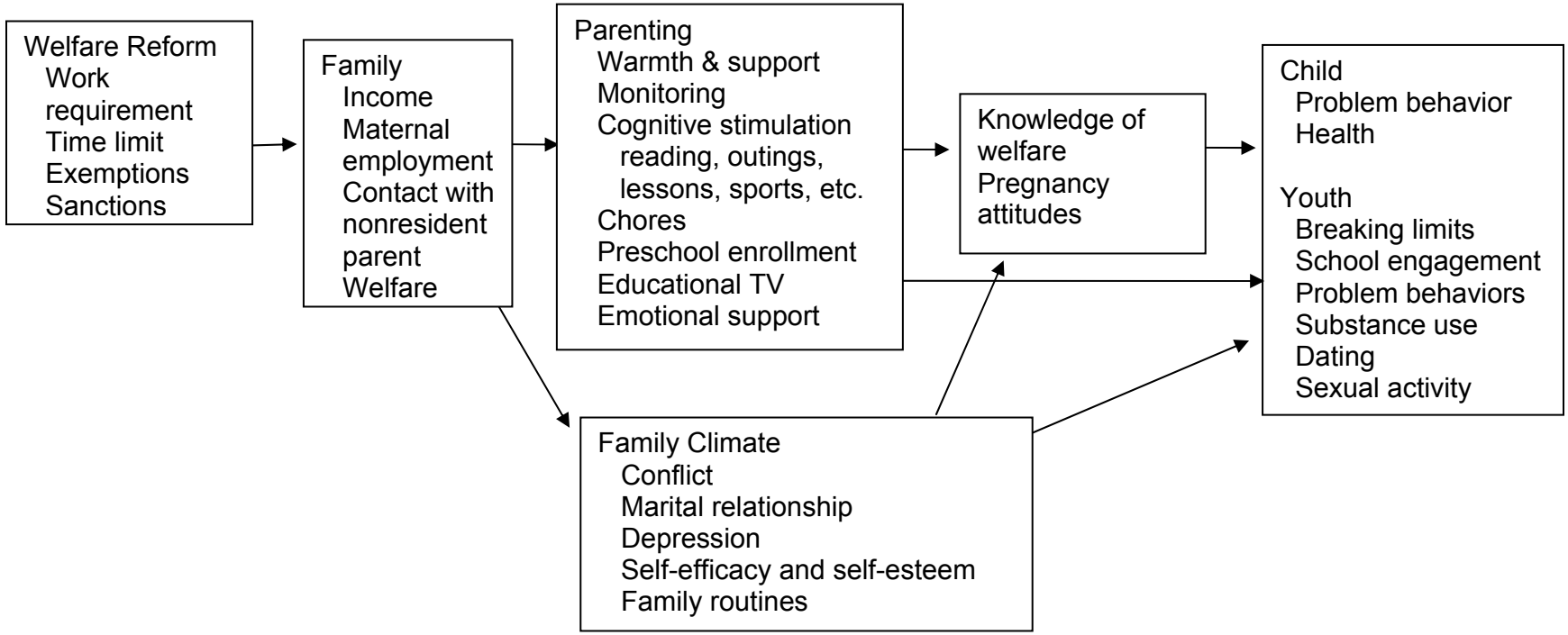
as the beginning point either an exit from public assistance or an entry into it, among those who have a previous known public assistance spell.

For analysis of the well-being of families, analysts would create a set of measures of family well-being of leavers at certain time points, such as 6, 12, 18, and 24 months after the family exited AFDC. Leavers can be divided by whether or not they returned to public assistance at each time point so comparisons can be made including or excluding such returners. Logistic and multinomial logistic regression as well as simple frequencies and means are statistical techniques that can be used. These techniques can provide important insight into the effects of public policies.

Since children's well-being is dependent upon how their parents respond to changes in welfare and welfare policies, we see most of the effects on children as a result of increased maternal employment, changed family incomes, increased contact with noncustodial parents, and reduced welfare receipt. Since most of the outcome measures for children are mediators of children's achievement and behavior rather than direct measures, it is difficult to know how these will play out in the future. Changes in these variables can be examined using several waves of the data. With a second self-administered supplement on youth behaviors, more can be done to directly evaluate changes over time in child well-being that might result from changes in parental employment, income, and welfare dependence. One option would be to use a future wave of funding to test the children's achievement, behavior, and health and to obtain measures of socioemotional maturity. Another is to put into place a second self-administered supplement with the appropriate safeguards of response rates. Unfortunately, even if all these suggestions are followed, the SPD will not be able to

evaluate the effects of changes in welfare rules because none of these measures precede PRWORA passage in August 1996. The SPD has several advantages over other data sets, including sample size, periodicity, and longitudinality. However, at the moment its strengths are in evaluating the well-being of the family as a whole more than that of children.

Figure 1


Welfare Reform
Work requirement
Time limit
Exemptions
Sanctions
Family
Income
Maternal employment
Contact with nonresident parent
Welfare
Parenting
Warmth & support
Monitoring
Cognitive stimulation
reading, outings, lessons, sports, etc.
Chores
Preschool enrollment
Educational TV
Emotional support
Knowledge of welfare
Pregnancy attitudes
Child
Problem behavior
Health
Youth
Breaking limits
School engagement
Problem behaviors
Substance use
Dating
Sexual activity
Family Climate
Conflict
Marital relationship
Depression
Self-efficacy and self-esteem
Family routines

Appendix Table 1

TANF Policies		Time Limits					Other		
State	State Code	TANF Implement-ation Date	Time Limit (mths)	Work Exemption Implementation Date	Age of Youngest Child for Exemption (mths)	Work Sanctions	Earnings Disregard	Family Cap	Family Cap Implementation Date
Coding			1 = shorter than 60 months, 0 = else		Months of age	1= full/full, 0 = other	1 = yes, 0 = no	1 = yes, 0 = no	
Alabama	01	12/1/1996	0	12/1/1996	36	0	1	0	
Alaska	.02	7/1/1997	0	7/1/1997	12	0	1	0	.
Arizona	04	10/1/1996	1	10/1/1996	0	0	1	1	11/1/1995
Arkansas	05	7/1/1997	1	7/1/1997	3	1	1	1	7/1/1994
California	06	1/1/1998	0	1/1/1998	6	0	1	1	9/1/1997
Colorado	08	7/1/1997	0	7/1/1997	12	0	0	0	.
Connecticut	09	10/1/1996	1	10/1/1996	12	0	1	1	1/1/1996
Delaware	10	3/1/1997	1	3/1/1997	13	0	0	1	3/1/1997
District of Columbia	11	3/1/1997	0	3/1/1997	12	0	1	0	.
Florida	12	10/1/1996	1	10/1/1996	3	1	1	1	10/1/1996
Georgia	13	1/1/1997	0	1/1/1997	12	0	0	1	1/1/1994
Hawaii	15	2/1/1997	0	2/1/1997	6	0	1	0	.
Idaho	16	7/1/1997	1	7/1/1997	0	1	1	1	7/1/1997
Illinois	17	7/1/1997	0	7/1/1997	12	0	1	1	12/1/1995
Indiana	18	10/1/1996	1	10/1/1996	3	0	0	1	5/1/1995
Iowa	19	1/1/1997	0	1/1/1997	0	0	1	0	.
Kansas	20	10/1/1996	0	10/1/1996	12	1	1	0	.
Kentucky	21	10/1/1996	0	10/1/1996	12	0	1	0	.
Louisiana	22	1/1/1997	1	1/1/1997	12	0	1	0	.
Maine	23	11/1/1996	0	11/1/1996	12	0	1	0	.
Maryland	24	12/1/1996	0	12/1/1996	12	1	1	1	3/1/1996
Massachusetts	25	10/1/1996	1	10/1/1996	6	0	1	1	11/1/1995
Michigan	26	10/1/1996	0	10/1/1996	3	0	1	0	.
Minnesota	27	7/1/1997	0	7/1/1997	12	0	1	0	.

TANF Policies		Time Limits					Other		
State	State Code	TANF Implement-ation Date	Time Limit (mths)	Work Exemption Implementation Date	Age of Youngest Child for Exemption (mths)	Work Sanctions	Earnings Disregard	Family Cap	Family Cap Implementation Date
Mississippi	28	7/1/1997	0	7/1/1997	12	1	1	1	10/1/1995
Missouri	29	12/1/1996	1	12/1/1996	12	0	0	0	.
Montana	30	2/1/1997	0	2/1/1997	0	0	1	0	.
Nebraska	31	12/1/1996	1	7/1/1997	3	1	1	1	10/1/1996
Nevada	32	12/1/1996	1	12/1/1996	12	0	1	0	.
New Hampshire	33	10/1/1996	0	10/1/1996	36	0	1	0	.
New Jersey	34	7/1/1997	0	7/1/1997	3	0	1	1	10/1/1992
New Mexico	35	7/1/1997	0	7/1/1997	12	0	1	0	.
New York	36	11/1/1997	0	11/1/1997	12	0	1	0	.
North Carolina	37	1/1/1997	1	1/1/1997	12	0	0	1	7/1/1996
North Dakota	38	7/1/1997	0	7/1/1997	24	0	1	1	7/1/1997
Ohio	39	10/1/1996	0	10/1/1996	12	1	1	0	.
Oklahoma	40	10/1/1996	0	10/1/1996	3	1	1	1	10/1/1996
Oregon	41	10/1/1996	1	10/1/1996	3	0	1	0	.
Pennsylvania	42	3/1/1997	0	3/1/1997	12	0	1	0	.
Rhode Island	44	5/1/1997	0	5/1/1997	12	0	1	0	.
South Carolina	45	10/1/1996	1	10/1/1996	12	1	1	1	10/1/1996
South Dakota	46	12/1/1996	0	12/1/1996	3	0	1	0	.
Tennessee	47	10/1/1996	0	10/1/1996	4	1	1	1	9/1/1996
Texas	48	11/1/1996	1	11/1/1996	48	0	0	0	.
Utah	49	10/1/1996	1	10/1/1996	0	0	1	0	.
Vermont	50	10/1/1996	0	10/1/1996	18	0	1	0	.
Virginia	51	2/1/1997	1	10/1/1997	18	1	0	1	7/1/1995
Washington	53	1/1/1997	0	1/1/1997	3	0	1	0	.
West Virginia	54	1/1/1997	0	1/1/1997	12	0	1	0	.
Wisconsin	55	9/1/1997	0	9/1/1997	3	1	0	1	1/1/1996
Wyoming	56	1/1/1997	0	1/1/1997	3	0	1	0	.

REFERENCES

Acs, Gregory and Pamela Loprest. 2001. *Initial Synthesis Report of the Findings from ASPE's "Leavers" Grants*. Washington, DC: U.S. Department of Health and Human Services.

Adams, C., N. Hillman, and G. Gaydos. 1994. "Behavioral Difficulties in Toddlers: Impact of Sociocultural and Biological Risk Factors." *Journal of Clinical Child Psychology* 23:373-81.

Baldwin, A.L., C. Baldwin, and R.E. Cole. 1990. "Stress-Resistant Families and Stress-Resistant Children." Pp. 257-80 in *Risk and Protective Factors in the Development of Psychopathology*, edited by J. Rolf, A. Masten, D. Cicchetti, K. Nuechterlein and S. Weintraub. Cambridge, England: Cambridge University Press.

Blank, Rebecca M. and Patricia Ruggles. 1994. "Short-Term Recidivism Among Public-Assistance Recipients." *American Economic Review* 84(2):49-53.

Bloom, D., J. Kemple, P. Morris, S. Scrivener, N. Verman, and R. Hendra. 2000. *The Family Transition Program: Final Report on Florida's Initial Time-Limited Welfare Program*. New York: Manpower Demonstration Research Corporation.

Brauner, Sarah and Pamela Loprest. 1999. *Where Are They Now? What States' Studies of People Who Left Welfare Tell Us?* Issues and Options. Washington, DC: The Urban Institute. A, No. A-32.

Brooks, Jennifer L., Elizabeth C. Hair, and Martha J. Zaslow. 2001. *Welfare Reform's Impact on Adolescents: Early Warning Signs*. Research Brief No. July. Washington, DC: Child Trends.

Brooks-Gunn, Jeanne and Lisa Berlin. 1993. "A Consideration of Self-Sufficiency and Parenting in the Context of the Teenage Parent Demonstration Program." Presented at the Second National Head Start Research Conference, Washington, DC.

Bureau of Labor Statistics. 2002. "National Longitudinal Surveys/the NLSY97" (http://www.bls.gov/nls/nlsy97.htm).

Cao, Jian. 1996. *Welfare Recipiency and Welfare Recidivism: An Analysis of the NLSY Data*. Madison, WI: Institute for Research on Poverty. IRP Discussion Paper 1081-96.

Clark, R. 1983. *Family Life and School Achievement: Why Poor Black Children Succeed or Fail*. Chicago: University of Chicago Press.

Council of Economic Advisors. 1999. *The Effects of Welfare Policy and the Economic Expansion on Welfare Caseloads: An Update*. Washington, DC: Council of Economic Advisors.

Danziger, Sheldon, colleen Heflin, and Mary Corcoran. 2000a. "Does It Pay to Move from Welfare to Work?" Presented at the Annual Meeting of the Population Association of America, March.

Dix, T. 1991. "The Affective Organization of Parenting: Adaptive and Maladaptative Processes." *Psychological Bulletin* 110:3-25.

Downey, G. and J. Coyne. 1990. "Children of Depressed Parents: An Integrative Review." *Psychological Bulletin* 108:50-76.

Ellwood, David. 1988. *Poor Support: Poverty in the American Family*. New York: Basic Books.

Entwisle, D., K. Alexander, and L. Olson. 1997. *Children, Schools, and Inequality*. Boulder, CO: Westview Press.

Figlio, David N. and James P. Ziliak. 1998. "Welfare Reform, the Business Cycle, and the Decline in AFDC Caseloads." Presented at the Welfare Reform and the Macroeconomy, November 19-20, Washington, DC.

Fitzgerald, John, Peter Gottschalk, and Robert Moffitt. 1998a. "An Analysis of Sample Attrition in Panel Data: The Michigan Panel Study of Income Dynamics." *Journal of Human Resources* 33(2):251-99.

Gennetian, L. and C. Miller. 2000. *Reforming Welfare and Rewarding Work: Final Report of the Minnesota Family Investment Program: Vol. 2. Effects on Children*. New York: Manpower Demonstration Research Corporation.

Hair, Elizabeth C., Sharon M. McGroder, Martha J. Zaslow, Surjeet K. Ahluwalia, and Kristin A. Moore. 2002. "How Do Maternal Risk Factors Affect Children in Low-Income Families? Further Evidence of Two-Generational Implications." *Journal of Prevention and Intervention in the Community*.

Harris, Kathleen Mullan. 1996. "Life After Welfare: Women, Work, and Repeat Dependency." *American Sociological Review* 61:407-26.

Haskins, Ron. 1999. "Welfare in a Society of Permanent Work." Presented at the For Better and for Worse: State Welfare Reform and the Well-Being of Low-Income Families and Children, 16-17 September, Washington, DC.

Hernandez, Raymond. 1999. "More Who Leave Welfare Rolls in New York Are Found to Get Jobs." *New York Times*, 5 August, p. A19.

Hershey, Alan M. and LaDonna A. Pavetti. 1997. "Turning Job Finders Into Job Keepers." *The Future of Children* 7(1):74-86.

Hofferth, Sandra L. and John F. Sandberg. 2001a. "How American Children Spend Their Time." *Journal of Marriage and the Family* 63(3):295-308.

Hofferth, Sandra L., Julia Smith, Vonnie McLoyd, and Jonathan Finkelstein. 2000. "Achievement and Behavior Among Children of Welfare Recipients, Welfare Leavers, and Low-Income Single Mothers." *Journal of Social Issues* 56(4):747-73.

Hofferth, Sandra. 1999b. "Family Reading to Young Children: Social Desirability and Cultural Biases in Reporting." Presented at the Workshop on Measurement of and Research on Time Use, Committee on National Statistics, May 27-28, Washington, DC: National Research Council.

Hofferth, Sandra, Pamela Davis-Kean, Jean Davis, and Jonathan Finkelstein. 1999a. *1997 User Guide: The Child Development Supplement to the Panel Study of Income Dynamics*. Ann Arbor, MI:: Institute for Social Research, The University of Michigan.

Hoynes, Hilary Williamson. 1996. *Local Labor Markets and Welfare Spells: Do Demand Conditions Matter*. Institute for Research on Poverty. Discussion paper 1104-96. Madison, WI.

Huston, A., G. Duncan, R. Granger, H. Bos, V. McLoyd, R. Mistry, Crosby.D., C. Gibson, K. Magnusson, J. Romich, and A. Ventura. 2001. "Work-Based Anti-Poverty Programs for Parents Can Enhance the School Performance and Social Behavior of Children." *Child Development* 72(1):318-37.

Isaacs, Julie, Gil Crouse, and Elizabeth Lower-Basch, gcrouse@osaspe.dhhs.gov. 1999. AFDC Waivers and TANF policies. Memo to Members of NICHD Family and Child Well-Being Research Network, September 20.

Jarrett, R. 1995. "Growing up Poor: The Family Experiences of Socially Mobile Youth in Low-Income African American Neighborhoods." *Journal of Adolescent Research* 10:111-35.

Kalil, Ariel and Jacquelynne Eccles. 1998. "Does Welfare Affect Family Processes and Adolescent Adjustment?" *Child Development* 69(6):1597-613.

Kinukawa, Akemi, Kristin Moore, Elizabeth C. Hair, and Jacinta Bronte-Tinkew. 2002. *Documentation of Child and Family Well-Being Measures in the 1998 Wave of the Survey of Program Dynamics*. Washington, DC: Child Trends.

Korenman, S., J. Miller, and J. Sjaastad. 1995. "Long-Term Poverty and Child Development in the United States: Results Forom the NLSY." *Children and Youth Services Review* 17:127-55.

Lee, V. and R. Croninger. 1994. "The Relative Importance of Home and School in the Development of Literacy Skills for Middle-Grade Students." *American Journal of Education* 102:286-329.

Loprest, Pamela. 1999. *Families Who Left Welfare: Who Are They and How Are They Doing?* Assessing the new Federalism. Washington, DC: The Urban Institute. Discussion Paper 99-02.

McGroder, Sharon M., Martha J. Zaslow, Kristin A. Moore, and Suzanne LeMenestrel. 2000. *National Evaluation of Welfare-to-Work Strategies, Impactgs on Young Children and Their Families Two Years After Enrollment*. Summary Report to the U.S. Dpeartment of Health and Human Services and the U.S. Department of Education. Washington, DC: Child Trends.

McGroder, Sharon, Martha J. M. Zaslow, Kristin A. Moore, Elizabeth C. Hair, and Surjeet K. Ahluwalia. 2002. "The Role of Parenting in Shaping the Impacts of Welfare-to-Work Programs on Children." Pp. 283-310 in *Parenting and the Child's World: Influences on Academic, Intellectual, and Social-Emotional Development*, edited by J. Borkowski, S. Ramey and M. Bristol-Power. Mahwah, NJ: Lawrence Erlbaum Associates.

McLoyd, V., R. Ceballo, and S. Mangelsdorf. 1996. "The Effects of Poverty on Children's Socioemotional Development." Pp. 189-206 in *Handbook of Child and Adolescent Psychiatry: Vol. 4, Varieties of Development*, edited by J. Noshpitz and N. Alessi. New York: Wiley.

McLoyd, Vonnie C. 1990. "The Impact of Economic Hardship on Black Families and Children." *Child Development* 61:311-46.

McLoyd, Vonnie. 1998. "Socioeconomic Disadvantage and Child Development." *American Psychologist* 53(2):185-204.

Menaghan, Elizabeth, Susan Jekielek, Frank Mott, and Elizabeth Cooksey. 1998. "Work and Family Circumstances and Child Trajectories: When (and for What) Does AFDC Receipt Matter?" Presented at the Preconference on Family Process and Child Development in Low Income Families, Joint Center for Poverty Research, May 7-8, 1998, Chicago, IL.

Meyer, Caniel R. and Maria Cancian. 1998. "Economic Well-Being Following an Exit from Aid to Families with Dependent Children." *Journal of Marriage and the Family* 60:479-92.

Meyer, David R. and Maria Cancian. 1996. *Life After Welfare: The Economic Well-Being of Women and Children Following an Exit from AFDC*. Madison, WI: Institute for Research on Poverty. Discussion Paper 1101-96.

Moffitt, Robert A. 1999. "The Effect of Pre-PRWORA Waivers on AFDC Caseloads and Female Earnings, Income, and Labor Force Behavior." Presented at the ASSA Meetings, January, New York, NY.

Moffitt, Robert. 1983. "An Economic Model of Welfare Stigma." *American Economic Review* 73:1023-35.

Moore, Kristin A. 2000. "How Do State Policymakers Think About Family Processes and Child Development in Low-Income Families," edited by G. Duncan and L. Chase-Lansdale.

Moore, Kristin A. and Anne Driscoll. 1996. "Deprivation or Dependency: Is It Depth and Duration of Poverty or Welfare?" Presented at the Population Association of American Annual Meeting, May, New Orleans, LA.

———. 1997. "Low-Wage Maternal Employment and Outcomes for Children: A Study." *The Future of Children* 7(1):122-27.

Morris, P.A. and C. Michalopoulos. 2000. *The Self-Sufficiency Project at 36 Months: Effects on Children of a Program That Increased Parental Employment and Income*. Ottawa: Social Research and Demonstration Corporation.

Morris, Pamela A. 2002. "The Effects of Welfare Reform Policies on Children." *Social Policy Report* 16(1):4-19.

Nathan, Richard. 1999. *After Welfare: A Study of Work and Benefit Use After Case Closing*. Interim Report submitted to the U.S. Department of Health and Human Services. Albany, NY: Rockefeller Institute, SUNY.

National Center for Education Statistics. 2002. "Early Childhood Longitudinal Study" (http://www.cpc.unc.edu/projects/addhealth/).

Office of the Assistant Secretary for Planning and Evaluation. 1997. *Setting the Baseline: A Report on State Welfare Waivers*. Washington, DC: U.S. Department of Health and Human Services.

Parcel, Toby and Elizabeth Menaghan. 1994. *Parents' Jobs and Children's Lives*. New York: Aldine de Gruyter.

Pavetti, LaDonna Ann. 1993. *The Dynamics of Welfare and Work: Exploring the Process by Which Women Work Their Way Off Welfare*. D--93-1. Cambridge, MA: John f. Kennedy School of Government, Harvard University.

Smith, Judith R., Jeanne Brooks-Gunn, Dafna Kohen, and Cecelia McCarton. 2001. "Transitions On and Off AFDC: Implications for Parenting and Children's Cognitive Development." *Child Development* 72(5):1512-1533.

The Urban Institute. 2002. "The National Survey of America's Families." Retrieved 3/12/2002. http://www.urban.org/content/Research/NewFederalism/NSAF/survey-methods.htm.

U.S. Bureau of the Census. 1999. *Statistical Abstract of the U.S., 1999*. Washington, DC: U.S. Government Printing Office.

———. 2001. *Statistical Abstract of the United States, 2000*. Washington, DC: U.S. Government Printing Office.
Udry, J. Richard. 2002. "The National Longitudinal Study of Adolescent Health." Retrieved 3/12/02 (http://www.cpc.unc.edu/projects/addhealth/).
Wallace, Geoffrey and Rebecca Blank. 1999. "What Goes Up Must Come Down? Explaining Recent Changes in Public Assistance Caseloads." Presented at the Welfare Reform and the Macroeconomy, Washington, DC.
Weeks, Greg. 1991. *Leaving Public Assistance in Washington State*. Evergreen State College: Washington State Institute for Public Policy. Working Paper.
West, Kirsten K., Robert M. Hauser, and Terri M. Scanlan. 1998. *Longitudinal Surveys of Children*. Washington, DC: National Academy Press.
Wilde, Parke E., Sandra Hofferth, Stephen Stanhope, Mary Noonan, and Nancy Collins. 2000. "Pre-1997 Trends in Welfare and Food Assistance in a National Sample of Families." *American Journal of Agricultural Economics* 82(August):642-48.
Yoshikawa, Hirokazu. 1994. "Prevention as Cumulative Protection: Effects of Early Family Support and Education on Chronic Delinquency and Its Risks." *Psychological Bulletin* 115:27-54.
Zaslow, Martha J., Jennifer L. Brooks, Kristin A. Moore, Pamela Morris, Kathryn Tout, and Zakia Redd. 2001a. *Impacts on Children in Experimental Studies of Welfare-to-Work Programs*. Washington, DC: Child Trends.
Zaslow, Martha J., Elizabeth C. Harie, M. Robin Dion, Surjeet K. Ahluwalia, and Jennifer Sargent. 2001b. "Maternal Depressive Symptoms and Low Literacy as Potential Barriers to Employment in a Sample of Families Receiving Welfare: Are There Two-Generational Implications?" *Women & Health* 32(3):211-51.
Zaslow, Martha J., Kristin A. Moore, Donna Ruane Morrison, and Mary Jo Coiro. 1995. "The Family Support Act and Children: Potential Pathways of Influence." *Children and Youth Services Review* 17(1-3):231-49.