Welfare Reform Report Card

A State-by-State Analysis of Anti-Poverty Performance and Welfare Reform Policies

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By Diane Carol Bast, Matthew Glans, Gary MacDougal, and Logan Pike*

1. Introduction

Most state governments can improve the effectiveness of their efforts to help those in poverty. This 50-state report card offers policymakers and the public a roadmap for how it can be done.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 ended the Aid to Families with Dependent Children (AFDC) welfare program and created Temporary Assistance for Needy

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Families (TANF), a block-grant program giving states considerable latitude in designing their own programs. Some governors and legislators took full advantage of the opportunity and produced spectacular results, reducing welfare rolls as well as poverty and unemployment. Other states have been less active and less effective.

What did successful states do, and what did unsuccessful states fail to do? This report compiles extensive data on five policies and five performance outcomes for state welfare and anti-poverty programs and assigns a final grade and rank to each state on the strength of the welfare reform policies it has adopted.

Governors and state legislators can use the one-page state summaries on pages 11–60 of this report to quickly identify the strengths and weaknesses of their programs. A reform agenda that

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would improve the state's ranking immediately becomes apparent, while case studies from other states demonstrate how the right policies really work in practice.

Successful welfare reform can save lives and produce positive effects on multiple generations. It can save taxpayers billions of dollars and help address such serious social maladies as crime, alcoholism, and teenage pregnancy. And it can demonstrate that government programs can be successfully devolved from the national government to states.

2. Overview of a Complex Challenge

Enough Money, Ineffectively Spent

In March 2014, the U.S. House of Representatives' House Budget Committee issued a 204-page report describing the \$799 billion spent through 129 programs for lower-income Americans in 2012. Together with state and local programs, total spending is well over \$1 trillion per year, most of it intended to help those in poverty.

This enormous river of money should be helping more people than it currently does. With 46 million Americans in poverty, this amounts to \$21,700 for each American in poverty, or nearly \$87,000 for a family of four – almost four times the \$23,550 per year federal poverty line for that family.² The Budget Committee report called for

rationalizing these programs, noting Congress has ended up with a "haphazard approach" to the problem, creating programs "without regard to how [they] fit into the larger effort" and describing "a complex web of programs that are often difficult to navigate." In addition to being difficult to navigate, this enormous river of money should be helping more people than it currently does.

While most thoughtful observers agree cultural and social issues such as teen parenting, drugs, and dropping out of school are crucial parts of the challenge, rationalizing the enormous Rube Goldberg-like web of government spending can make a big difference.

Almost all state governments, though constrained by excessive and often conflicting federal government regulation and fragmentation, can greatly improve the effectiveness of their efforts to help those in poverty. Though there are important differences in the challenges facing each state, this report shows some states are doing a much better job than others in helping people move from dependency to self-sufficiency.

-2-

¹ *The War on Poverty: 50 Years Later*, House Budget Committee Majority Staff, March 3, 2014, http://budget.house.gov/uploadedfiles/war on poverty.pdf.

² Gary MacDougal, "The Wrong Way to Help the Poor," *The New York Times*, October 11, 2012.

³ Supra note 1, page 4.

Some governors and legislators have focused on this important challenge, working hard to integrate programs and establish state policies that improve the effectiveness of the many programs connected to the task of helping people leave poverty. This is important, since spending on these programs is one of the largest parts of every state budget. This report shows that a further overhaul of state (and federal) policies and program management can produce much better results. It is important to see what we can learn from these 50 examples that are producing such wide-ranging outcomes.

The overriding objective of such an overhaul must be to maximize the odds of helping people move from dependency to self-sufficiency. The problem is *not* insufficient government spending, but rather *how the money is spent*. Because state governments can make meaningful policy choices, are

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responsible for managing the human services delivery systems, and are much closer to those in need than are DC administrators, they can have an enormous impact.

Principles for Reform

Principles are emerging, forming a framework that could provide the basis for bipartisan reform, much of it at the state level.⁴ While the following principles appear to be common sense, applying them will require profound changes in incredibly complex human services systems:

- Helping people *move from dependency to self-sufficiency* should be the primary focus of the safety net. *Work is at the heart of a happy life*, so a work-centered system is in everybody's interest. Chicago Mayor Rahm Emanuel told a U.S. Conference of Mayors gathering on economic inequality: "Work is more than a paycheck, it's a value system we're all defined by." This will require major changes in some programs. It also has been shown that disabled Americans, if capable, value work consistent with their abilities.
- *Making work pay* is essential a common-sense idea often egregiously violated by the unnecessarily complex network of current programs that has been built up over the years. Working more hours or getting a raise should not set Americans back financially, but in many states it does.
- Passionate pursuit of *equal opportunity* for all Americans and *not equal outcomes* ought to guide this effort. This focus avoids the complex income inequality battleground, allowing policymakers to move ahead with important help for those in poverty without getting bogged

⁴ Gary MacDougal, "A Republican War on Poverty," *The Wall Street Journal*, September 15, 2014, http://www.wsj.com/articles/gary-macdougal-a-new-republican-war-on-poverty-1410822789.

⁵ Bill Ruthhart, "On road, Emanuel moves left," *Chicago Tribune*, August 12, 2014.

⁶ David Brooks, "The Inequality Problem," *The New York Times*, January 16, 2014, http://www.nytimes.com/2014/01/17/opinion/brooks-the-inequality-problem.html?_r=0.

down in tax reform. Much work needs to be done in education, especially in poor neighborhoods, to ensure availability of and access to good schools. Proven initiatives include school choice, charter schools, and merit pay for teachers.

- We need to greatly increase the opportunity for *economic mobility* for all Americans. A recent study led by professor Raj Chetty of Harvard showed that, though mobility in America hasn't worsened, this important measure has stayed the same for many years. We must do better.
- Many programs should be *integrated*, providing help to a family in need in a thoughtful, holistic, "one-stop" fashion. This includes connecting government programs to communities and the private sector, especially churches and employers who are in a position to provide badly needed help on both cultural and employment needs.
- Finally, *outcomes must be measured* wherever possible, with the gold-standard question being, "Did this effort change lives for the better and lead to self-sufficiency?" At present many of the programs are poorly measured or not measured at all.

"Income Inequality" Is the Wrong Focus

This welfare reform report card is designed to give a top-level, well-informed performance "snapshot" to policymakers who have little time to review the myriad data in the complex anti-poverty welfare reform arena. We aim to describe how the states are doing and where they might improve.

The challenge is to take this enormously complex set of systems and help it produce better results.

Comparing the 50 states gives governors and state legislators a wealth of real-life examples to explore. As with any free market, a healthy competition among policymakers to do better on these measures is a good thing and can enormously benefit those in need ... and, of

course, taxpayers. As noted earlier, \$1 trillion per year should be plenty of money to help people leave poverty. The challenge is to take this enormously complex set of systems and help it produce better results. Only when this is accomplished will we be able to determine the long-term correct level of spending.

In an insightful column, *New York Times* columnist David Brooks called the income inequality debate "misconceived," "leading us off into unhelpful directions." He continued,

lump(ing) together different issues that are not especially related ... the income inequality frame contributes to our tendency to simplify complex cultural, social, behavioral and economic problems into strictly economic problems. There is a very strong correlation

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⁷ Raj Chetty, *et al.*, "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," June 2014, http://obs.rc.fas.harvard.edu/chetty/mobility_geo.pdf.

⁸ David Brooks, *supra* note 6.

between single motherhood and low social mobility. There is a very strong correlation between high school dropout rates and low mobility. Low income is the outcome of these interrelated problems, but it is not the problem. To say it is the problem is to confuse cause and effect. To say it is the problem is to give yourself a pass from exploring the complex and morally fraught social and cultural roots of the problem. It is to give yourself permission to ignore the parts that are uncomfortable to talk about but that are really the inescapable core of the thing. ... [T]he income inequality frame needlessly polarizes the debate.⁹

There is enough money in the federal and state anti-poverty/human services systems that, if delivered in cash, would instantly lift everyone out of poverty. The answer is making the systems work better, not raising taxes in order to put more money into the systems. This is not to deny that there are many tax fairness issues among the well-off and corporations that should be corrected. But that is an unrelated problem. Class warfare may be good politics, but it is bad policy.

3. Policies and Performance Outcomes

Nearly two decades after PRWORA was first enacted, it is clear some governors and legislatures have seized the opportunities provided by the new law, developing thoughtful policies and integrating services needed to help recipients move into the workplace. Others were less ambitious, benefiting from the policy changes made at the national level but not taking full advantage of the opportunities available to further improve effectiveness at the state level.

First, we measured and report five welfare reform policies reflecting states' efforts to reduce poverty and help those who remain poor. The variations from state to state suggest a survey of welfare reform policies and performance outcomes might be revealing and valuable to policymakers at all levels of government. Surprisingly, no such comparison was attempted until 2008 when one of the current coauthors, Gary MacDougal, along with two other

researchers produced such a survey for The Heartland Institute.¹⁰ The current document updates that original research.

To keep the reports as comparable as possible, we followed most of the 2008 methodology for this update. First we measured and report five welfare reform policies reflecting states' efforts to reduce poverty and help those who remain poor. Those five policies are:

 service integration, organizing state social service systems in a way that allows coordinated delivery of welfare and other services,

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⁹ Ibid.

¹⁰ Gary MacDougal, Kate Campaigne, and Dane Wendell, *State Welfare Report Card 2008: Welfare Reform After Ten Years*, The Heartland Institute, July 2008, funded in part by the Annie E. Casey Foundation.

- work requirements, rules requiring a person engage in work or work-related activities before being eligible for aid or to remain eligible for aid,
- cash diversion programs, policies allowing caseworkers to give applicants lump sum cash payments to meet short-term needs,
- lifetime limits on eligibility for aid, typically five years or less, and
- sanctions to secure compliance by TANF recipients with work and other requirements for eligibility.

Two other policies – increased filing for the federal Earned Income Tax Credit (EITC) and family cap policies – were reported in 2008 but dropped from this update. EITC data apparently are no longer reported by the IRS. With respect to family cap policies, researchers have found those policies may have unintended consequences, and they are not believed to be as effective as once thought.

We devoted considerably more time while producing this report on documenting and quantifying service integration, which was reported in the first report card but not quantified and graded due to the lack of sufficient information from all 50 states.

Concurrently, to reflect success in alleviating poverty we measured and report five performance outcomes for every state.

For these five welfare reform policies, we assigned grades to each state using the traditional A (for excellent) to F (for failing) scale. Those five grades are then averaged for a single overall grade and rank. Alabama, for example, receives an A for work requirements, a C for service integration, a D

for time limits, Fs for cash diversion and sanctions, and an overall grade of F and national rank of 45th.

Concurrently, to reflect success in alleviating poverty we measured and report five performance outcomes for every state. Those five outcomes are:

- percentage change in the number of TANF recipients (data from 1996 through June 2014),
- percentage change in poverty rate (1996–2013),
- TANF work participation rate (1997–2011, the most recent available),
- percentage change in unemployment rate (1997–November 2014), and
- percentage change in teenage birth rate (1996–2012).

For these five anti-poverty performance outcomes, we assigned ranks to all 50 states for each variable and then averaged the five results to give each state an average rank. For example, Alabama ranks 24th in reducing teenage birth rate and 42nd in percentage decline in the number

of TANF recipients and, together with other outcome measurements, ranks 33rd in the country in terms of its overall anti-poverty outcomes.

The rationale for choosing the policies and outcomes reported in this study appears in Sections 6 and 7 of this report. Some policies are supported by persuasive academic research and others by experience.

The 50 state report cards generated by this analysis provide clear and reliable guidance to policymakers hoping to help people move from dependency to self-sufficiency. Displaying the five policies and five performance outcomes side-by-side and for each state reveals the success or failure of a state in reducing poverty *compared to other states*, and reveals the policies it needs to change to improve its performance.

4. Summary of Findings

The findings of this study are summarized in Table 1 on the following page. States (listed in the first column) are ordered according to their policies rank (in the shaded column), with #1 ranked South Dakota in the first row and #50 ranked Missouri at the bottom. Points, ranks, and grades appear in the remaining columns of Table 1.

Highlights from Table1 include:

Best Welfare Reform Policies

#1 South Dakota #2 Idaho #3 Nevada #4 Utah #5 Wisconsin

Best Performance Outcomes

#1 Wyoming #2 New York #3 Texas #4 Hawaii #5 Connecticut

Worst Welfare Reform Policies

#45 Alabama #45 Oregon #45 Rhode Island #48 Vermont #49 Massachusetts #50 Missouri

Worst Performance Outcomes

#46 Iowa #47 Nevada #48 Missouri #49 Indiana #50 Wisconsin

The weak correlation between policies and outcomes has several explanations:

- government policies and economic forces other than welfare policies affect economic growth and so may affect unemployment and poverty rates;
- many states changed their policies over the years since PRWORA was enacted, so their policies today aren't responsible for their results since 1996;

Table 1 Summary of Rankings and Grades 2015

| State | We | Welfare Reform Policies | | Anti-Poverty Performance | |
|----------------------|--------------|-------------------------|---------|--------------------------|---------|
| | Points | Ranking | Grade | Points | Ranking |
| South Dakota | 87.0 | 1 | Α | 51.8 | 25 |
| Idaho | 86.0 | 2 | Α | 68.4 | 7 |
| Nevada | 85.7 | 3 | Α | 30.6 | 47 |
| Utah | 85.7 | 3 | Α | 43.4 | 34 |
| Wisconsin | 85.7 | 3 | А | 26.8 | 50 |
| Michigan | 85.0 | 6 | Α | 38.4 | 40 |
| Louisiana | 83.0 | 7 | A- | 58.2 | 17 |
| Delaware | 82.3 | 8 | A- | 41.0 | 36 |
| North Carolina | 81.0 | 9 | A- | 52.8 | 24 |
| Texas | 80.3 | 10 | B+ | 72.6 | 3 |
| North Dakota | 77.0 | 11 | B+ | 65.8 | 9 |
| Florida | 75.7 | 12 | В | 68.8 | 6 |
| Virginia | 75.3 | 13 | В | 56.0 | 20 |
| Alaska | 74.3 | 14 | В | 58.4 | 16 |
| New Jersey | 74.3 | 14 | В | 50.0 | 29 |
| Pennsylvania | 74.3 | 14 | В | 50.2 | 28 |
| Colorado | 73.0 | 17 | B- | 42.6 | 35 |
| West Virginia | 73.0 | 17 | B- | 59.4 | 13 |
| Maryland | 72.3 | 19 | B- | 66.0 | 8 |
| Illinois | 72.0 | 20 | C+ | 62.6 | 10 |
| Arkansas | 71.3 | 21 | C+ | 49.0 | 30 |
| Arizona | 71.0 | 22 | С | 51.2 | 27 |
| Tennessee | 70.3 | 23 | С | 31.8 | 45 |
| California | 69.3 | 24 | С | 57.8 | 18 |
| New Mexico | 69.0 | 25 | С | 51.6 | 26 |
| Indiana | 68.0 | 26 | С | 29.8 | 49 |
| Minnesota | 67.7 | 27 | C- | 55.4 | 21 |
| Connecticut | 63.3 | 28 | C- | 70.0 | 5 |
| Mississippi | 63.0 | 29 | C- | 58.6 | 15 |
| | 62.3 | 30 | C- | 56.4 | 19 |
| Kentucky Montana | 62.3 | 30 | C- | 61.6 | 19 |
| Kansas | 60.3 | 32 | D+ | 38.4 | 40 |
| Ohio | 59.0 | 33 | D | 45.8 | 32 |
| | | 34 | D | | 31 |
| Maine | 56.0 | | D | 48.8 | |
| Washington Hawaii | 56.0 55.7 | 34 36 | D | 39.4 70.8 | 38 4 |
| Nebraska | 55.7 | 36 | D | 39.4 | 38 |
| South Carolina | | | | | |
| | 55.7 | 36 | D D- | 38.2 | 43 2 |
| New York | 54.7 | 39 | | 73.0 | |
| New Hampshire | 54.3 | 40 | D- | 53.4 | 23 |
| lowa | 52.3 | 41 | D- | 31.0 | 46 |
| Oklahoma | 52.3 | 41 | D- | 54.4 | 22 |
| Wyoming | 52.3 | 41 | D- | 75.6 | 1 |
| Georgia | 52.0 | 44 | F | 59.4 | 13 |
| Alabama | 51.0 | 45 | F | 43.6 | 33 |
| Oregon | 51.0 | 45 | F | 33.2 | 44 |
| Rhode Island | 51.0 | 45 | F | 38.4 | 40 |
| Vermont | 46.0 | 48 | F | 62.6 | 10 |
| Massachusetts | 24.7 | 49 | F | 40.0 | 37 |
| Missouri | 24.3 | 50 | F | 30.4 | 48 |

- many policies identified as most effective work only in conjunction with other policies, a point emphasized in the discussion below of service integration; and
- no policy is effective if it is not actually implemented. For example, lifetime limits on eligibility often are undermined by exceptions and "clock stoppers."

The purpose of this survey is not to prove some policies work better than others – that research has been done well by others. Our goal, instead, was to bring together in one document data addressing widely agreed-upon measures of anti-poverty success and the most promising welfare policies. We are convinced states will see better results if they adopt the recommended policies.

5. Fifty State Report Cards

The information reported in Table 1 is reported in the form of 50 one-page "report cards," one for each state, on pages 11–60. Each report card presents additional information to create a more complete picture of the current state of anti-poverty efforts.

The information reported in Table 1 is reported in the form of 50 one-page "report cards."

Starting from the top of each report card, the following information is presented:

- Name of the governor and the year he or she took office.
- The state's 2015 rank for welfare reform policies, the most important takeaway message for this report card.
- The state's 2008 and 2015 ranking on welfare reform policies and the change between the two periods.
- State budget information, for 2013 unless otherwise specified, specifically:
 - MOE (maintenance of effort) spending: state spending levels required by the federal government's TANF block grants to the states.
 - Federal Grant: the amount of TANF funds block-granted to each state.
 - \$\$ per Recipient: MOE + federal funds divided by the number of TANF recipients.
 - TANF Recipients: the number of TANF recipients in June 2014.
 - Welfare Employees: full-time equivalent employment in public welfare as reported by the U.S. Census Bureau.
 - Recipients per Employee: TANF Recipients divided by welfare employees.
- The state's scores and letter grade for each of the five measures of welfare reform policies and the average grade and rank.

- The state's scores and rank for each of the five measures of anti-poverty progress and the average rank.
- Two graphs: one showing the number of TANF recipients and percentage change since 1996, and the second showing poverty rate and child poverty rate since 1996.

The report cards summarize the most important data concerning anti-poverty efforts and welfare reform in every state, and consequently can form the basis for informed discussion of how to improve welfare policy.

The report cards summarize the most important data concerning anti-poverty efforts and welfare reform in every state, and consequently can form the basis for informed discussion of how to improve welfare policy.

For example, the report card for Missouri, the lowest ranked state in the country, reveals:

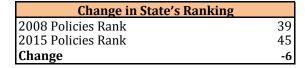
- Missouri's welfare policies are the country's least effective and its record for helping people escape poverty is seventh worst in the country.
- State and federal spending on just this single welfare program neared \$375 million in 2013, or \$5,928 per recipient.
- Missouri's anti-poverty performance rank is dragged down by low work participation by TANF recipients and the state's relatively poor performance in reducing the number of TANF recipients, overall poverty, and unemployment.
- Here's what Missouri needs to do to improve its grade: Adopt work requirements, empower caseworkers with a cash diversion option, enforce eligibility rules, impose tougher time limits on eligibility for aid, and improve integration of services.

Sections 6 and 7, following the report cards, provide considerable detail and background on the ranks and grades in the report cards.

This *Report Card* is intended to give guidance to policymakers and concerned citizens who want to improve welfare programs in their state. The authors stand ready to answer questions about the policies described in this report and to help elected officials develop successful reforms to help more of their citizens move from dependency to self-sufficiency.

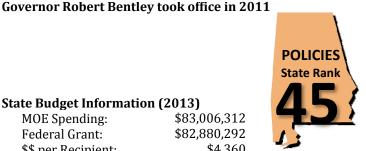
Page 11

Alabama

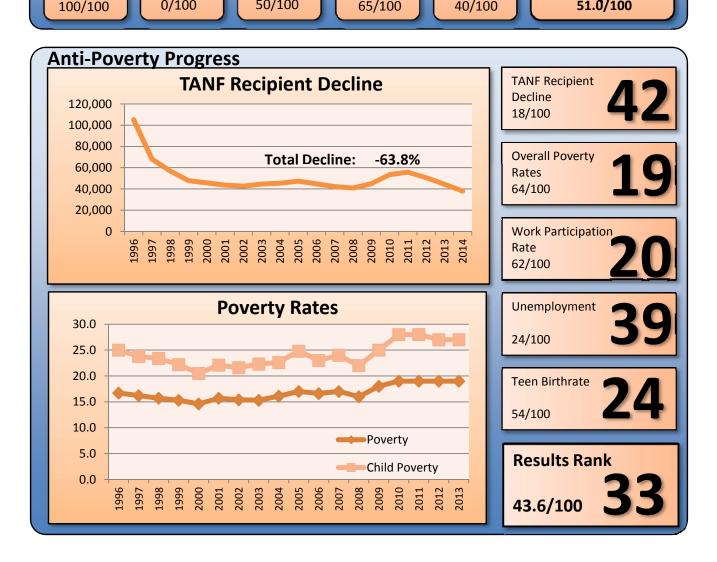


State Budget Information (2013) MOE Spending: \$83,006,312

Federal Grant: \$82,880,292 \$\$ per Recipient: \$4,360 TANF Recipients (June 2014) 38,044 Welfare Employees: 5,352 Recipients per Employee: 7.1



Welfare Reform Policies Work Cash Service **Time Limits** Sanctions **Policies Grade** Requirements Diversion Integration 50/100 40/100 51.0/100 0/100 65/100



Governor Bill Walker took office in 2014

Alaska

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 36 |
| 2015 Policies Rank | 14 |
| Change | 22 |

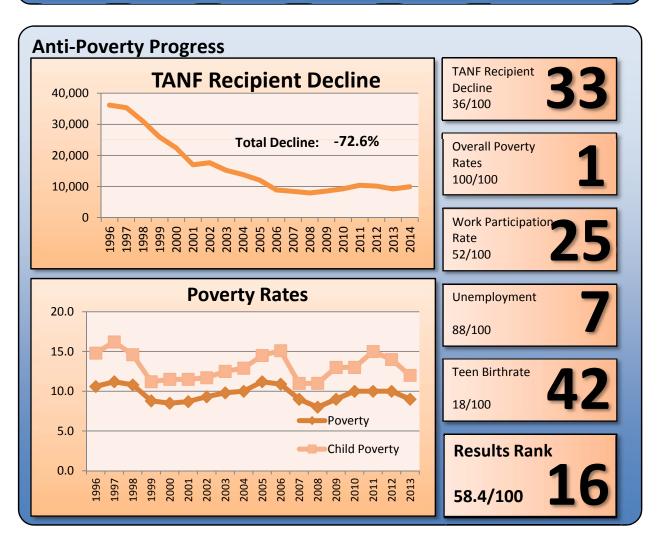
State Budget Information (2013)

Alaska

MOE Spending: \$37,146,118 Federal Grant: \$37,128,652 \$\$ per Recipient: \$7,361 TANF Recipients (June 2014 9,902 Welfare Employees: 1,918 Recipients per Employee: 5.2



| Welfare Reform Policies | | | | | |
|-------------------------|-----------|-------------|-------------|-----------|----------------|
| Work | Cash | Service | Time Limits | Sanctions | Policies Grade |
| Requirements | Diversion | Integration | | | |
| A | Α | R | | - | K |
| 100/100 | 100/100 | 67/100 | CF /100 | 40/400 | 710/100 |
| 100/100 | 100/100 | 67/100 | 65/100 | 40/100 | 74.3/100 |



Arizona

Governor Doug Ducey took office in 2015

Arizona

Change in State's Ranking 2008 Policies Rank 2015 Policies Rank 22 Change -13

90/100

State Budget Information (2013)

MOE Spending: \$130,708,833
Federal Grant: \$228,720,908
\$\$ per Recipient: \$13,125
TANF Recipients (June 2014): 27,385

Welfare Employees: 5,829 Recipients per Employee: 4.7

40/100

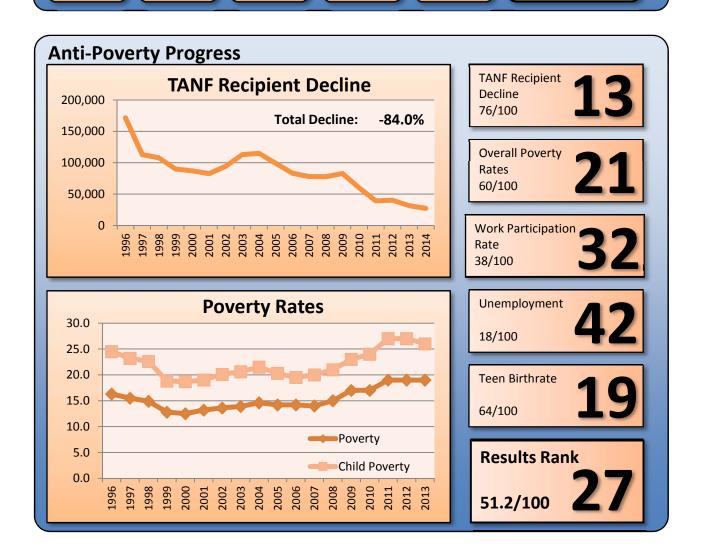
POLICIES State Rank

Policies Grade

71.0/100

Welfare Reform Policies Work Requirements Diversion Time Limits Sanctions Cash Diversion Cash

50/100



75/100

Arkansas

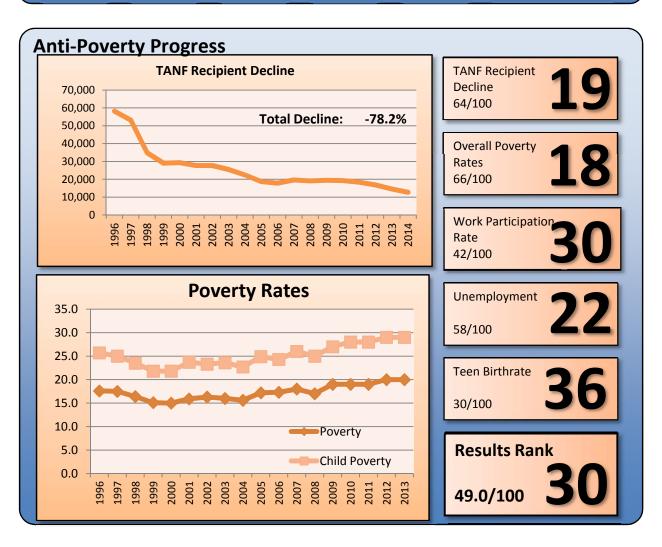
| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 3 |
| 2015 Policies Rank | 21 |
| Change | -18 |

State Budget Information (2013)

MOE Spending: \$88,691,726 Federal Grant: \$67,947,643 \$\$ per Recipient: \$12,352 TANF Recipients (June 2014 12,681 Welfare Employees: 3,953 Recipients per Employee: 3.2



Welfare Reform Policies Work Requirements A 100/100 Cash Diversion D 17/100 Time Limits A 100/100 Folicies Grade C+ 40/100 71.3/100



Governor Jerry Brown took office in 2011

California

Change in State's Ranking 2008 Policies Rank Welfare Reform Policies Change 9 -15

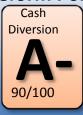
State Budget Information (2013)

MOE Spending: \$3,239,677,720
Federal Grant: \$3,427,694,627
\$\$ per Recipient: \$5,171
TANF Recipients (June 2014) 1,289,270
Welfare Employees: 3,724
Recipients per Employee: 346.2



Welfare Reform Policies

Work Requirements 75/100



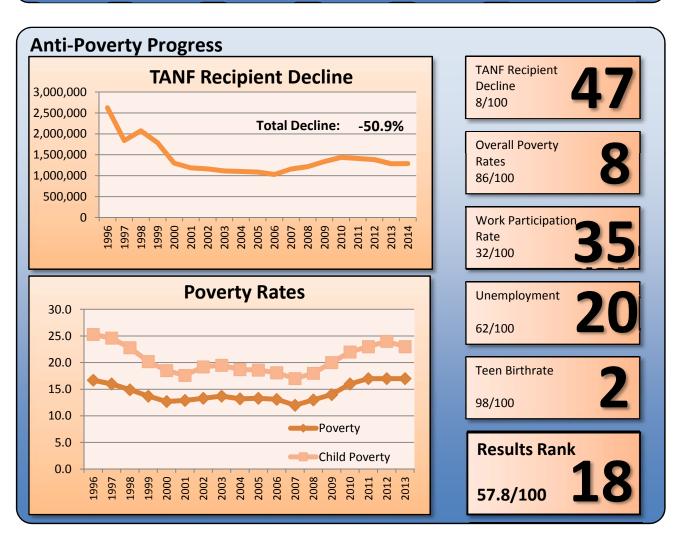
Service Integration B 67/100

Time Limits

C
75/100

Sanctions 40/100 Policies Grade

69.3/100



Governor John Hickenlooper took office in 2011

Colorado

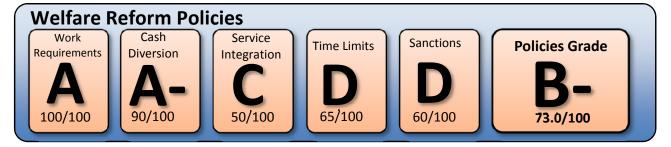
| Change in State's Rai | nking |
|--|-------|
| 2008 Policies Rank | 37 |
| 2008 Policies Rank 2015 Policies Rank | 17 |
| Change | 20 |

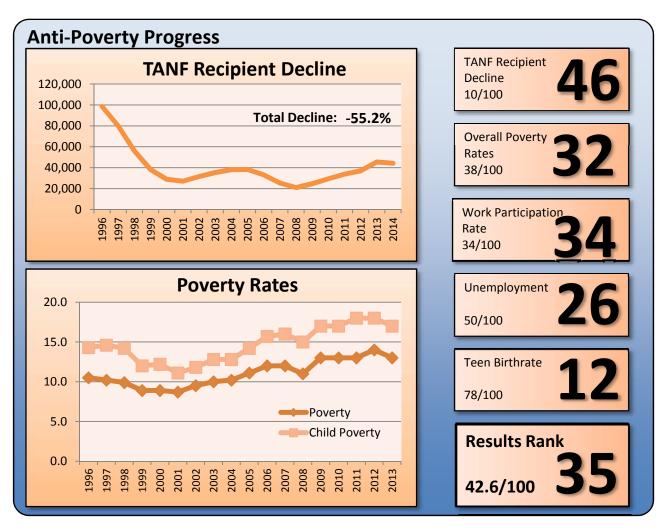
State Budget Information (2013)

Colorado

MOE Spending: \$169,213,612
Federal Grant: \$144,286,603
\$\$ per Recipient: \$7,098
TANF Recipients (June 2014): 44,167
Welfare Employees: 2,217
Recipients per Employee: 19.9

POLICIES State Rank





Governor Dan Malloy took office in 2011

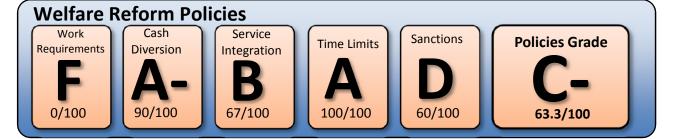
Connecticut

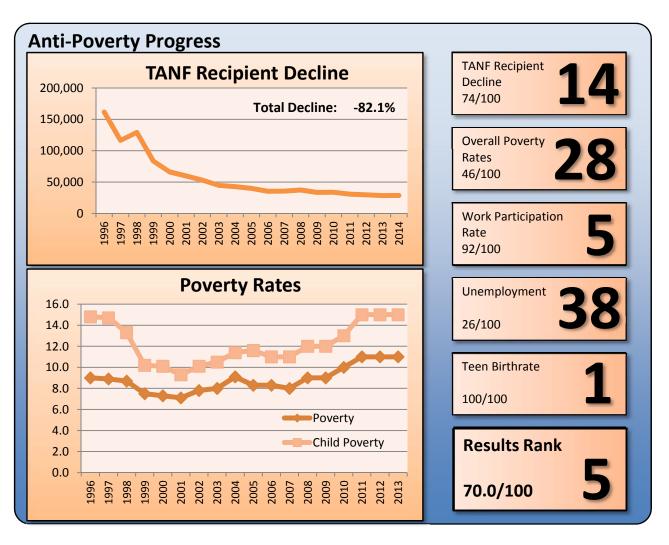
Change in State's Ranking2008 Policies Rank142015 Policies Rank28Change-14

State Budget Information (2013)

| MOE Spending: | \$218,432,166 |
|----------------------------|---------------|
| Federal Grant: | \$240,109,297 |
| \$\$ per Recipient: | \$15,853 |
| TANF Recipients (June 2014 | 28,924 |
| Welfare Employees: | 5,583 |
| Recipients per Employee: | 5.2 |
| | |







Page 18 Delaware

Governor Jack Markell took office in 2009

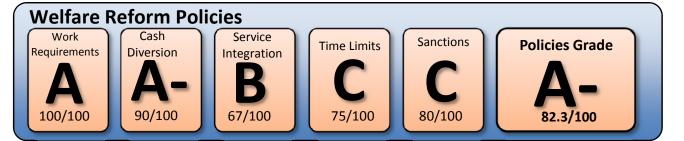
Delaware

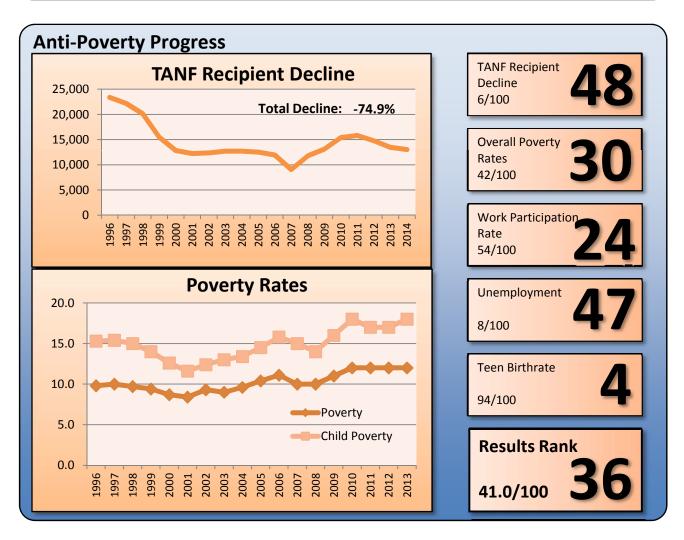
| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 3 |
| 2015 Policies Rank | 8 |
| Change | -5 |

State Budget Information (2013)

| MOE Spending: | \$58,500,266 |
|------------------------------|--------------|
| Federal Grant: | \$24,682,722 |
| \$\$ per Recipient: | \$6,378 |
| TANF Recipients (June 2014): | 13,042 |
| Welfare Employees: | 1,624 |
| Recipients per Employee: | 8.0 |







Florida Governor Rick Scott took office in 2011

Florida

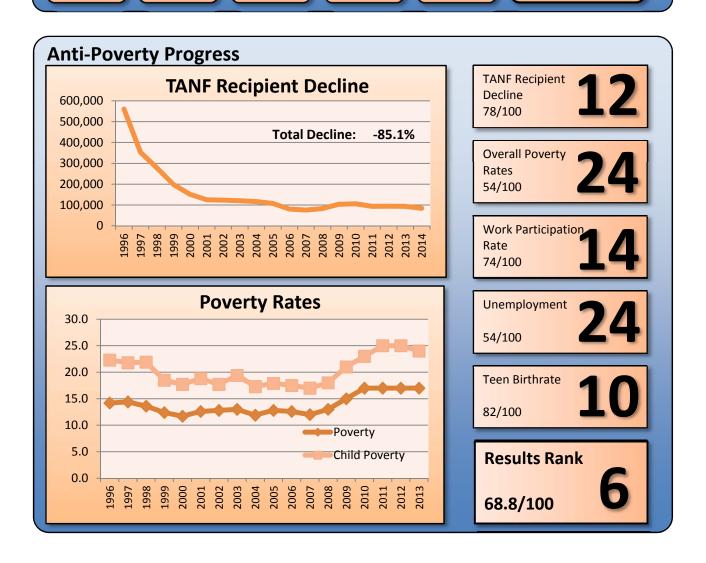
| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 13 |
| 2015 Policies Rank | 12 |
| Change | 1 |
| | |

State Budget Information (2013)

MOE Spending: \$415,658,218
Federal Grant: \$410,889,769
\$\$ per Recipient: \$9,869
TANF Recipients (June 2014 83,755
Welfare Employees: 9,015
Recipients per Employee: 9.3



Welfare Reform Policies Work Requirements A 100/100 Work Requirements A 90/100 Service Integration C 33/100 75/100 Sanctions C 80/100 Policies Grade B 75.7/100



Governor Nathan Deal took office in 2011

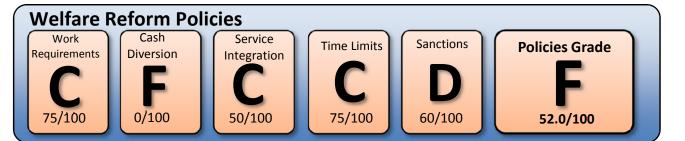
Georgia

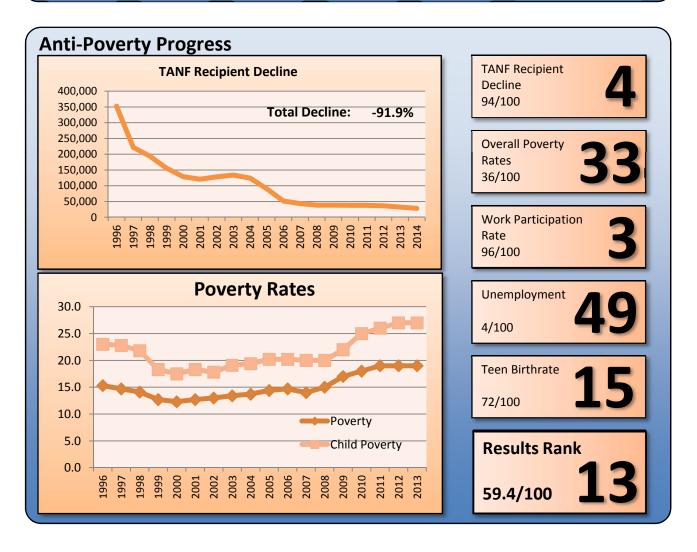
| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 36 |
| 2008 Policies Rank 2015 Policies Rank | 44 |
| Change | -8 |

State Budget Information (2013)

| | , |
|------------------------|---------------|
| MOE Spending: | \$173,368,527 |
| Federal Grant: | \$320,578,117 |
| \$\$ per Recipient: | \$17,385 |
| TANF Recipients (June | 2014) 28,412 |
| Welfare Employees: | 8,488 |
| Recipients per Employe | ee: 3.3 |







Hawaii

Recipients per Employee:

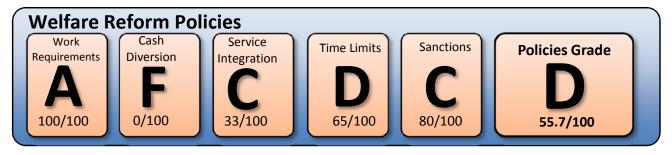
Governor Neil Abercrombie took office in 2010

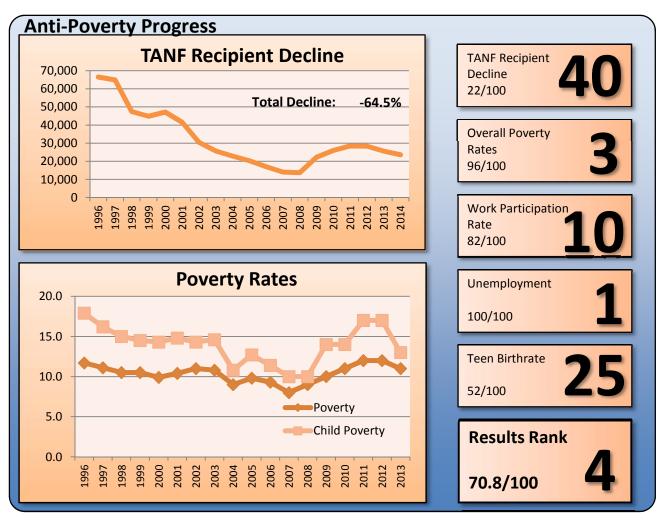
Hawaii

Change in State's Ranking2008 Policies Rank452015 Policies Rank36Change9

POLICIES State Rank State Budget Information (2013) MOE Spending: \$160,153,277 Federal Grant: \$68,916,534 \$\$ per Recipient: \$9,698 TANF Recipients (June 2014) 23,621 Welfare Employees: 422

56.0





Page 22 Idaho

Governor Butch Otter took office in 2007

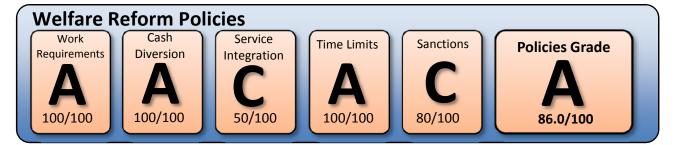
Idaho

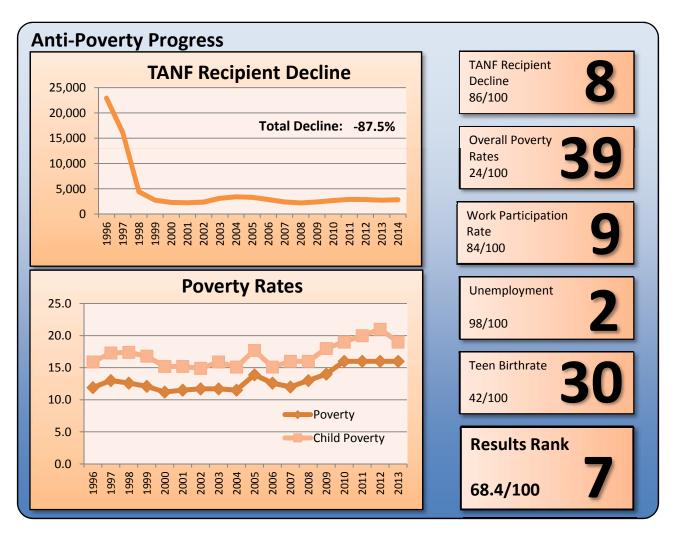
| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 1 |
| 2015 Policies Rank | 2 |
| Change | -1 |

State Budget Information (2013)

MOE Spending: \$14,353,218
Federal Grant: \$22,802,403
\$\$ per Recipient: \$13,005
TANF Recipients (June 2014): 2,857
Welfare Employees: 1,622
Recipients per Employee: 1.8







Governor Bruce Rauner took office in 2015

Illinois

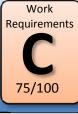
| Change in State's Rank | ing |
|------------------------|-----|
| 2008 Policies Rank | 3 |
| 2015 Policies Rank | 20 |
| Change | -17 |

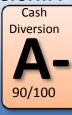
State Budget Information (2013)

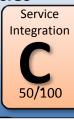
| MOE Spending: | \$426,774,903 |
|----------------------------|---------------|
| Federal Grant: | \$583,856,960 |
| \$\$ per Recipient: | \$22,464 |
| TANF Recipients (June 2014 | 44,989 |
| Welfare Employees: | 9,015 |
| Recipients per Employee: | 5.0 |



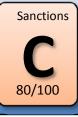
Welfare Reform Policies



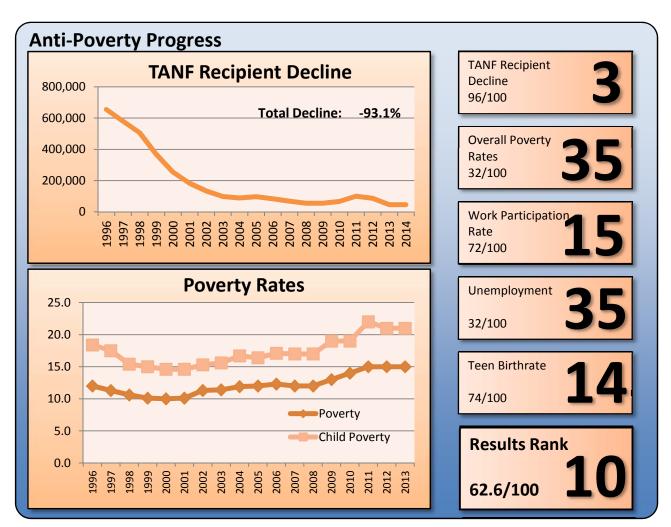








Policies Grade
72.0/100



Governor Mike Pence took office in 2013

Indiana

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 17 |
| 2015 Policies Rank | 26 |
| Change | -9 |

State Budget Information (2013)

MOE Spending: \$121,547,499
Federal Grant: \$95,424,486
\$\$ per Recipient: \$11,319
TANF Recipients (June 2014): 19,169
Welfare Employees: 4,777
Recipients per Employee: 4.0



Welfare Reform Policies

Work
Requirements
100/100

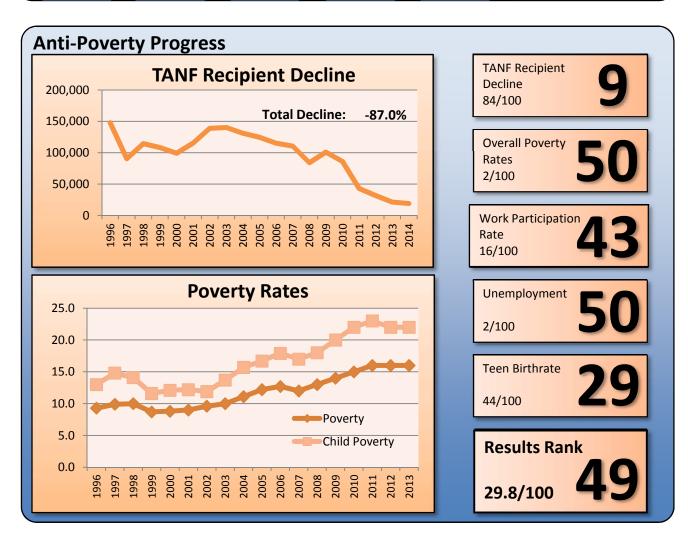
Cash Diversion 0/100 Service Integration 50/100

Time Limits
B
90/100

Sanctions
A
100/100

Policies Grade

68.0/100



Iowa

Change in State's Ranking2008 Policies Rank182015 Policies Rank41Change-23

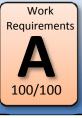
State Budget Information (2013)

| MOE Spending: | \$84,/93,08/ |
|------------------------------|--------------|
| Federal Grant: | \$90,246,425 |
| \$\$ per Recipient: | \$5,577 |
| TANF Recipients (June 2014): | 31,385 |
| Welfare Employees: | 2,729 |
| Recipients per Employee: | 11.5 |
| | |

POLICIES State Rank



Welfare Reform Policies



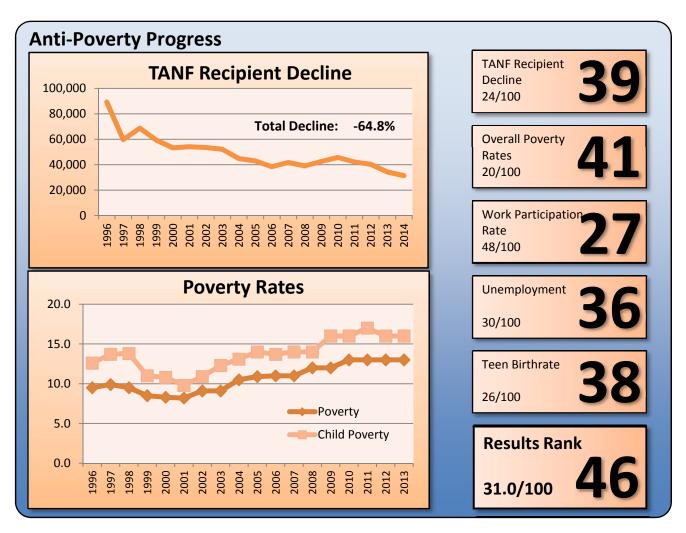








Policies Grade
52.3/100



Governor Sam Brownback took office in 2011

Kansas

| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 45 |
| 2008 Policies Rank 2015 Policies Rank | 32 |
| Change | 13 |

State Budget Information (2013)

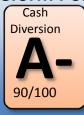
Kansas

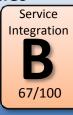
| MOE Spending: | \$74,283,983 |
|------------------------------|--------------|
| Federal Grant: | \$72,435,400 |
| \$\$ per Recipient: | \$9,289 |
| TANF Recipients (June 2014): | 15,795 |
| Welfare Employees: | 2,269 |
| Recipients per Employee: | 7.0 |
| | |

POLICIES State Rank

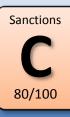
Welfare Reform Policies





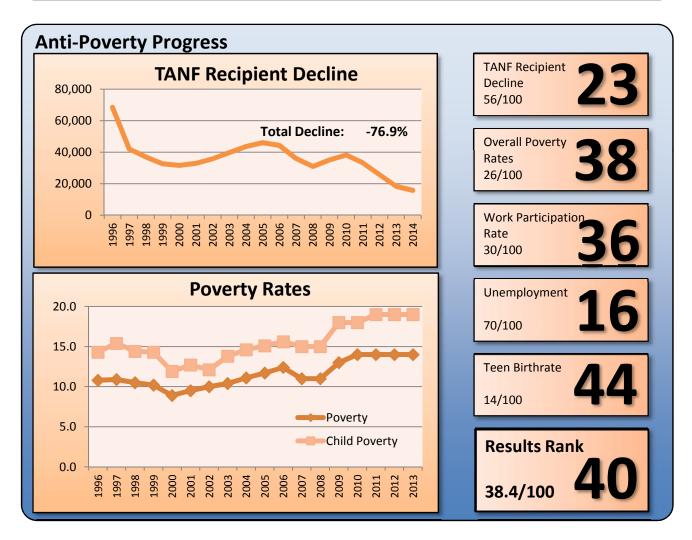






Policies Grade

60.3/100



Governor Steve Beshear took office in 2007

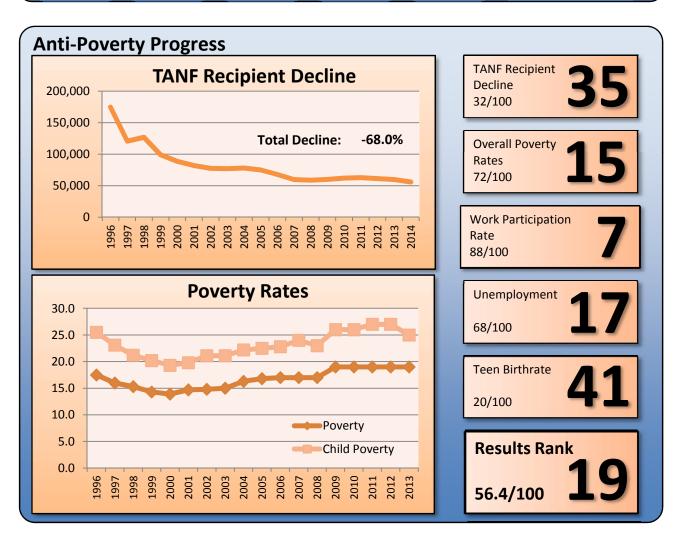
Kentucky

Change in State's Ranking2008 Policies Rank392015 Policies Rank30Change9

State Budget Information (2013)

MOE Spending: \$95,381,269
Federal Grant: \$157,635,254
\$\$ per Recipient: \$4,524
TANF Recipients (June 2014 55,933
Welfare Employees: 7,624
Recipients per Employee: 7.3

POLICIES State Rank



Governor Bobby Jindal took office in 2008

Louisiana

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 48 |
| 2015 Policies Rank | 7 |
| Change | 41 |

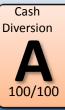
State Budget Information (2013)

| MOE Spending: | \$57,575,776 |
|------------------------------|---------------|
| Federal Grant: | \$147,711,608 |
| \$\$ per Recipient: | \$17,177 |
| TANF Recipients (June 2014): | : 11,951 |
| Welfare Employees: | 5,193 |
| Recipients per Employee: | 2.3 |
| | |



Welfare Reform Policies

Work Requirements 100/100



Service Integration 50/100



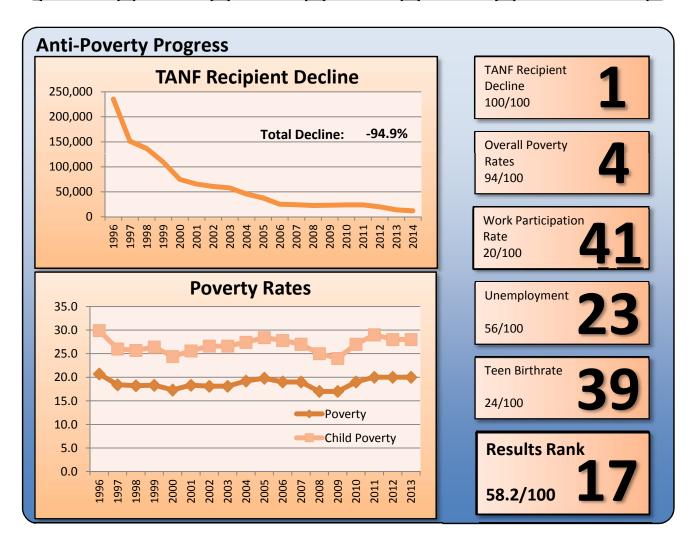
Sanctions

A

100/100

Policies Grade

83.0/100



Governor Paul LePage took office in 2011

Maine

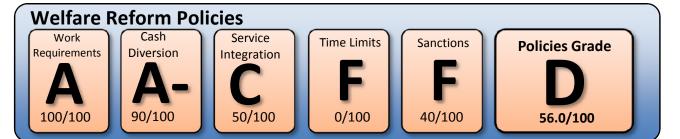
| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 26 |
| 2015 Policies Rank | 34 |
| Change | -8 |

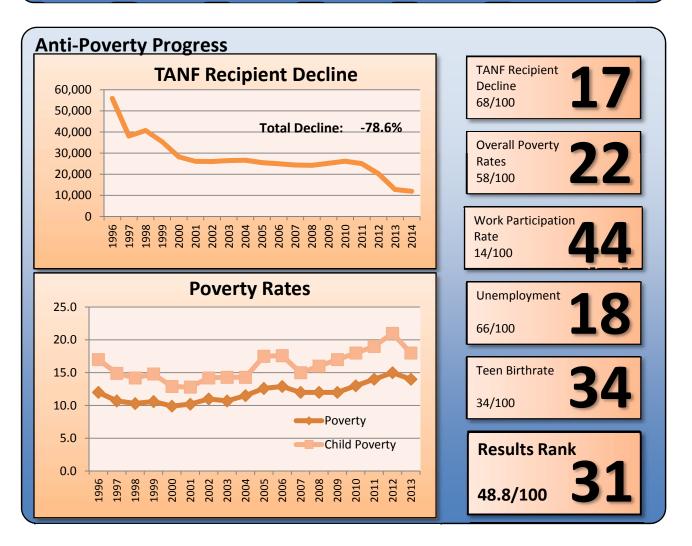
State Budget Information (2013)

| MOE Spending: | \$40,296,038 |
|-----------------------------|--------------|
| Federal Grant: | \$45,827,751 |
| \$\$ per Recipient: | \$7,208 |
| TANF Recipients (June 2014) | 11,948 |
| Welfare Employees: | 2,699 |
| Recipients per Employee: | 4.4 |



Page 29





Maryland

Change in State's Ranking

2008 Policies Rank

2015 Policies Rank

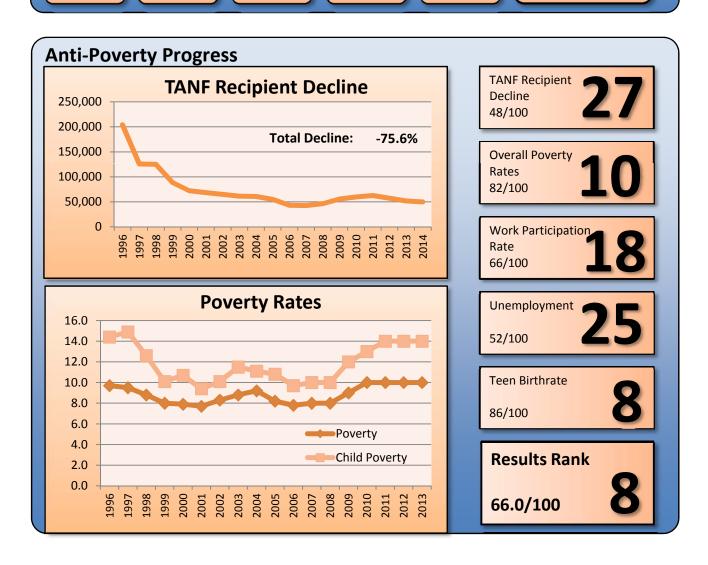
19
Change

-17

State Budget Information (2013)

MOE Spending: \$340,011,846
Federal Grant: \$221,286,644
\$\$ per Recipient: \$11,272
TANF Recipients (June 2014) 49,796
Welfare Employees: 6,578
Recipients per Employee: 7.6

POLICIES State Rank



POLICIES

State Rank

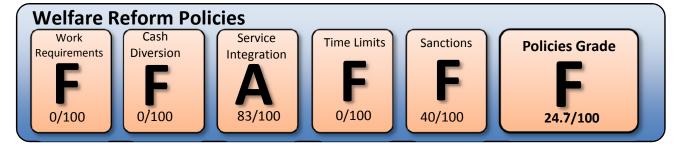
Governor Charlie Baker took office in 2015

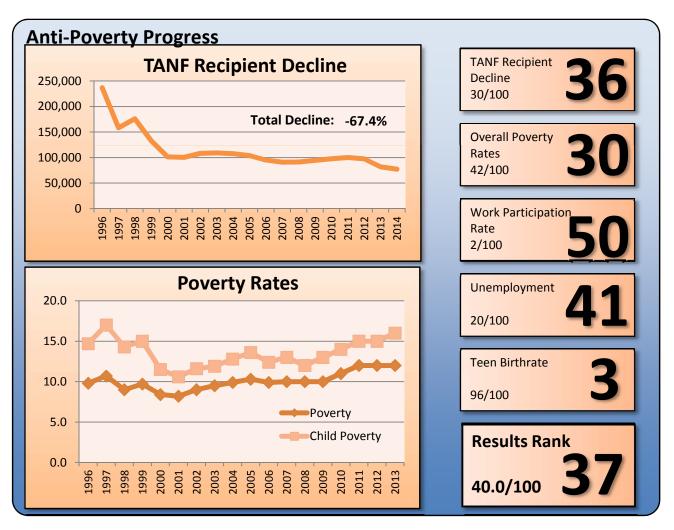
Massachusetts

| Change in State's Ranking | 3 |
|--|-----|
| 2008 Policies Rank | 39 |
| 2008 Policies Rank 2015 Policies Rank | 49 |
| Change | -10 |

State Budget Information (2013)

MOE Spending: \$638,826,296
Federal Grant: \$361,733,994
\$\$ per Recipient: \$12,978
TANF Recipients (June 2014): 77,094
Welfare Employees: 6,815
Recipients per Employee: 11.3





Page 32 Michigan

Governor Rick Snyder took office in 2011

Michigan

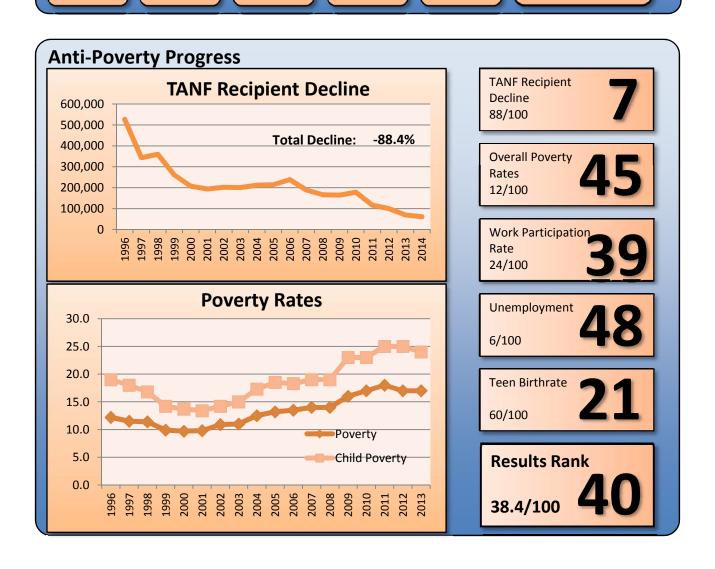
| ng |
|----|
| 31 |
| 6 |
| 25 |
| |

State Budget Information (2013)

| MOE Spending: | \$577,641,396 |
|-----------------------------|---------------|
| Federal Grant: | \$774,373,319 |
| \$\$ per Recipient: | \$22,183 |
| TANF Recipients (June 2014) | 60,948 |
| Welfare Employees: | 12,161 |
| Recipients per Employee: | 5.0 |



Welfare Reform Policies Work Requirements A 100/100 Diversion Cash Diversion C



Governor Mark Dayton took office in 2011

Minnesota

| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 26 |
| 2008 Policies Rank 2015 Policies Rank | 27 |
| Change | -1 |
| | |

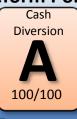
State Budget Information (2013)

| MOE Spending: | \$210,666,143 |
|------------------------------|---------------|
| Federal Grant: | \$221,517,905 |
| \$\$ per Recipient: | \$9,921 |
| TANF Recipients (June 2014): | 43,564 |
| Welfare Employees: | 2,848 |
| Recipients per Employee: | 15.3 |
| | |

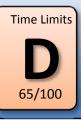


Welfare Reform Policies

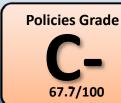


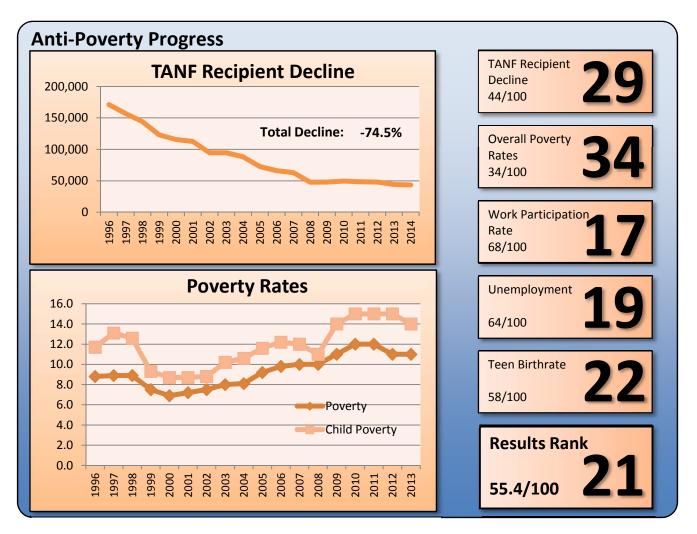












Governor Phil Bryant took office in 2012

Mississippi

| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 15 |
| 2015 Policies Rank | 29 |
| Change | -14 |

State Budget Information (2013)

MOE Spending: \$21,724,308 Federal Grant: \$58,623,597 \$\$ per Recipient: \$4,736 TANF Recipients (June 2014): 16,964 Welfare Employees: 3,033 Recipients per Employee: 5.6

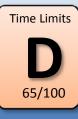


Welfare Reform Policies

Work
Requirements
100/100

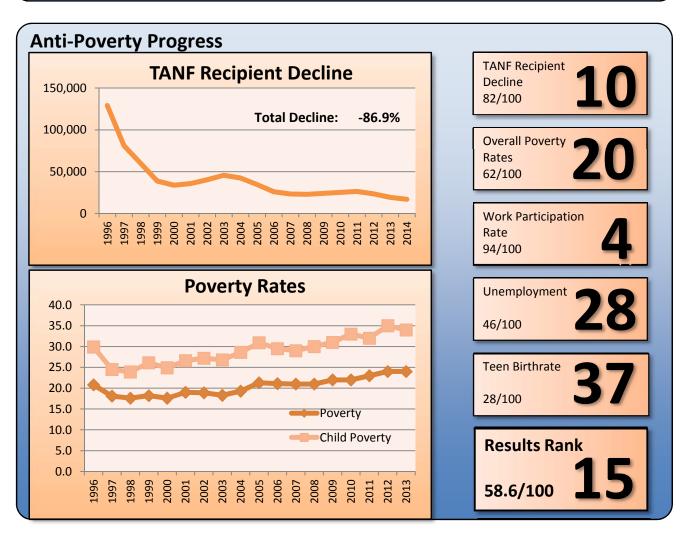


Service Integration 50/100





Policies Grade
63.0/100



Missouri

0/100

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 49 |
| 2015 Policies Rank | 50 |
| Change | -1 |

0/100

State Budget Information (2013)

65/100

MOE Spending: \$176,477,425
Federal Grant: \$197,615,367
\$\$ per Recipient: \$5,928
TANF Recipients (June 2014): 63,108
Welfare Employees: 6,998
Recipients per Employee: 9.0

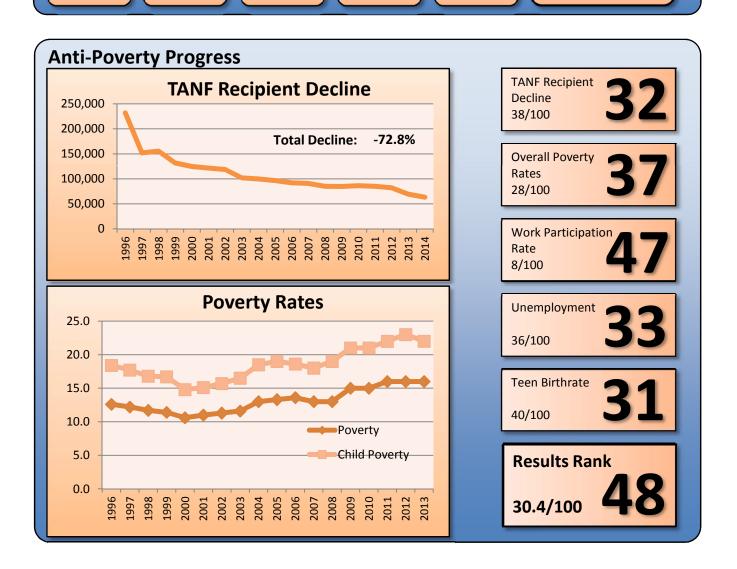
40/100



24.3/100

Welfare Reform Policies Work Requirements Diversion Folicies Grade Integration Folicies Grade Folicies Grade

17/100



Governor Steve Bullock took office in 2013

Montana

POLICIES
State Rank

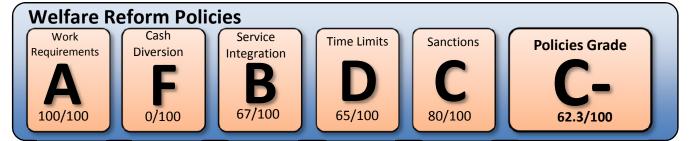
Change in State's Ranking 2008 Policies Rank 2015 Policies Rank 30 Change 9

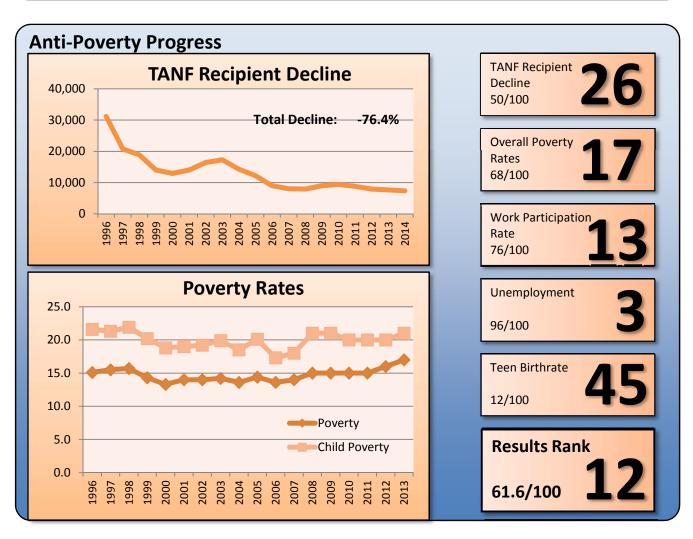
State Budget Information (2013)

Montana

MOE Spending: \$14,864,655
Federal Grant: \$28,748,181
\$\$ per Recipient: \$5,918
TANF Recipients (June 2014): 7,369
Welfare Employees: 1,709
Recipients per Employee: 4.3

30





Governor Pete Ricketts took office in 2015

Nebraska

| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 18 |
| 2015 Policies Rank | 36 |
| Change | -18 |

State Budget Information (2013)

| MOE Spending: | \$54,598,349 |
|------------------------------|--------------|
| Federal Grant: | \$37,315,357 |
| \$\$ per Recipient: | \$8,951 |
| TANF Recipients (June 2014): | 10,268 |
| Welfare Employees: | 2,380 |
| Recipients per Employee: | 4.3 |

POLICIES State Rank

Welfare Reform Policies



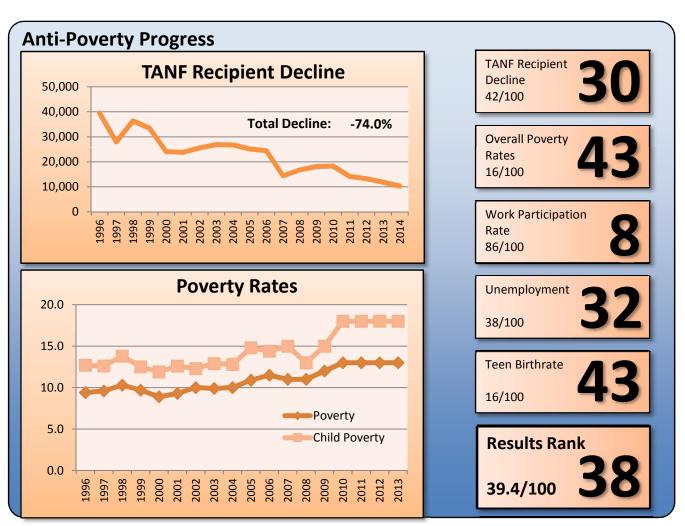








Policies Grade
55.7/100



Governor Brian Sandoval took office in 2011

Nevada

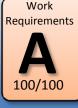
| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 34 |
| 2015 Policies Rank | 3 |
| Change | 31 |
| | |

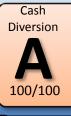
State Budget Information (2013)

| MOE Spending: | \$46,140,210 |
|------------------------------|--------------|
| Federal Grant: | \$43,997,850 |
| \$\$ per Recipient: | \$2,798 |
| TANF Recipients (June 2014): | 32,219 |
| Welfare Employees: | 1,826 |
| Recipients per Employee: | 17.6 |
| | |

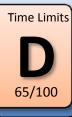
POLICIES State Rank 3

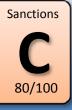
Welfare Reform Policies



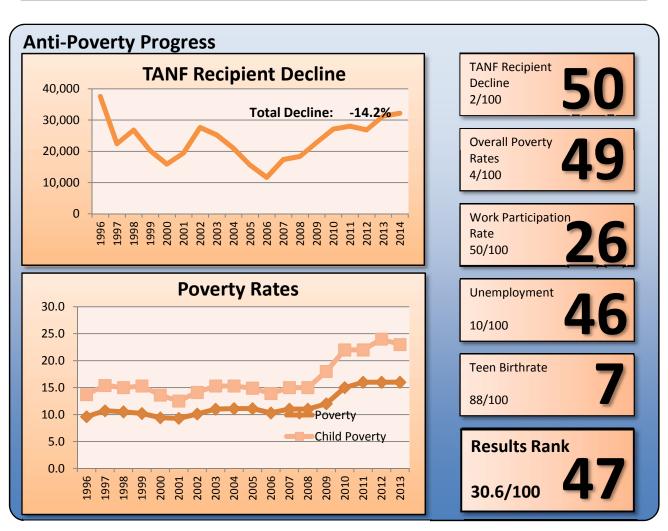








Policies Grade 85.7/100



Governor Maggie Hassan took office in 2013

New Hampshire

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 39 |
| 2015 Policies Rank | 40 |
| Change | -1 |

State Budget Information (2013)

| MOE Spending: | \$42,717,725 |
|------------------------------|--------------|
| Federal Grant: | \$25,123,768 |
| \$\$ per Recipient: | \$10,647 |
| TANF Recipients (June 2014): | 6,372 |
| Welfare Employees: | 1,912 |
| Recipients per Employee: | 3.3 |



Welfare Reform Policies



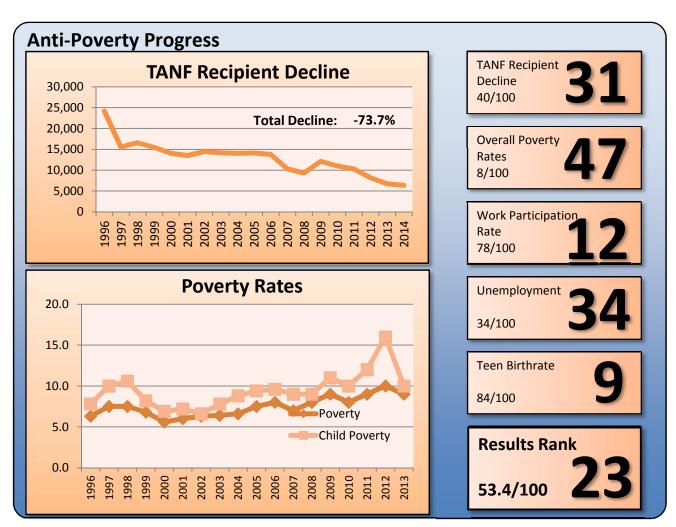








Policies Grade
54.3/100



Governor Chris Christie took office in 2010

New Jersey

| Change in State's Ra | nking |
|----------------------|-------|
| 2008 Policies Rank | 9 |
| 2015 Policies Rank | 14 |
| Change | -5 |

State Budget Information (2013)

MOE Spending: \$789,160,006 Federal Grant: \$422,208,523 \$\$ per Recipient: \$18,652 TANF Recipients (June 2014) 64,947 Welfare Employees: 8,859 Recipients per Employee: 7.3



Welfare Reform Policies

Work Requirements 100/100



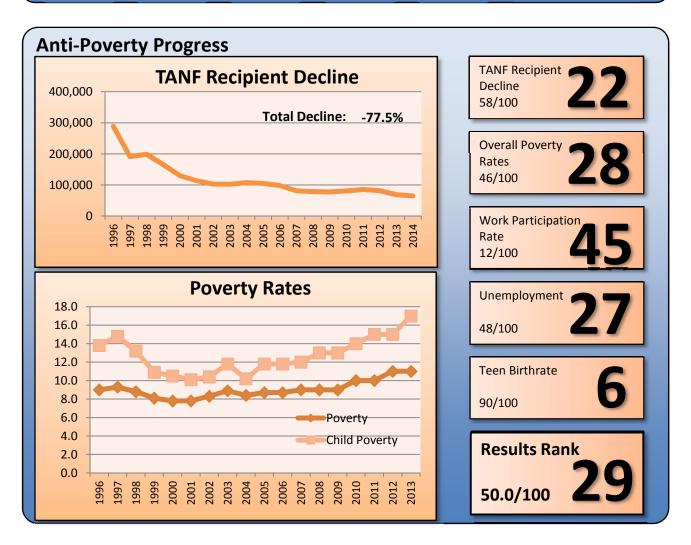
Service Integration B 67/100 Time Limits
65/100

Sanctions

6
40/100

Policies Grade

R
74.3/100



Governor Susana Martinez took office in 2011

New Mexico

| Change in State's Rank | ing |
|------------------------|-----|
| 2008 Policies Rank | 33 |
| 2015 Policies Rank | 25 |
| Change | 8 |

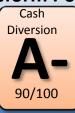
State Budget Information (2013)

MOE Spending: \$115,554,666
Federal Grant: \$73,270,421
\$\$ per Recipient: \$5,181
TANF Recipients (June 2014): 36,447
Welfare Employees: 1,719
Recipients per Employee: 21.2



Welfare Reform Policies

Work Requirements 75/100



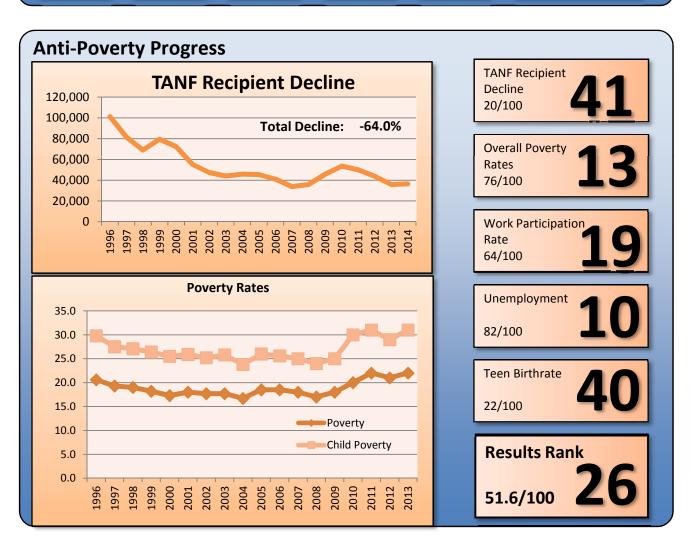
Service Integration 50/100 Time Limits

65/100

Sanctions

6
40/100

Policies Grade
69.0/100



Governor Andrew Cuomo took office in 2011

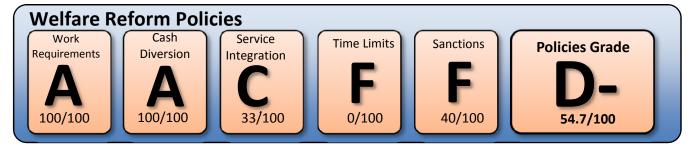
New York

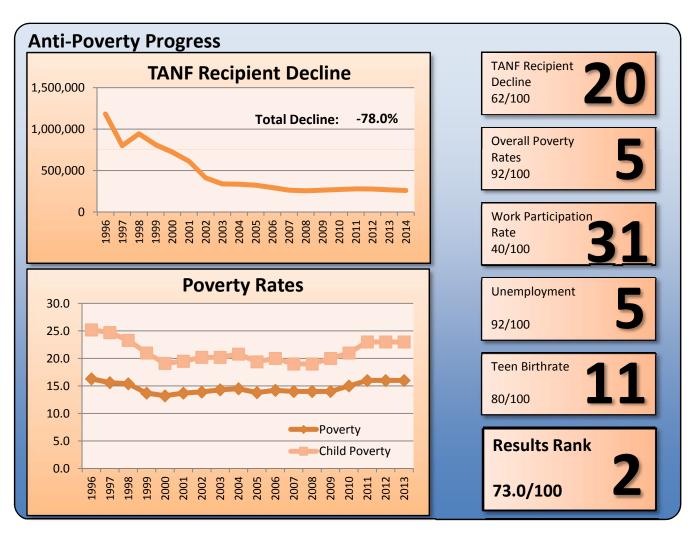
| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 47 |
| 2008 Policies Rank 2015 Policies Rank | 39 |
| Change | 8 |

State Budget Information (2013)

| MOE Spending: | \$2,807,978,106 |
|------------------------------|-----------------|
| Federal Grant: | \$2,176,209,560 |
| \$\$ per Recipient: | \$19,158 |
| TANF Recipients (June 2014): | 260,157 |
| Welfare Employees: | 4,411 |
| Recipients per Employee: | 59.0 |
| | |







Governor Pat McCrory took office in 2013

North Carolina

Change in State's Ranking2008 Policies Rank122015 Policies Rank9Change3

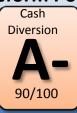
State Budget Information (2013)

MOE Spending: \$300,377,832 Federal Grant: \$238,855,836 \$\$ per Recipient: \$18,779 TANF Recipients (June 2014): 28,714 Welfare Employees: 1,123 Recipients per Employee: 25.6



Welfare Reform Policies

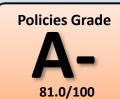
Work Requirements 100/100

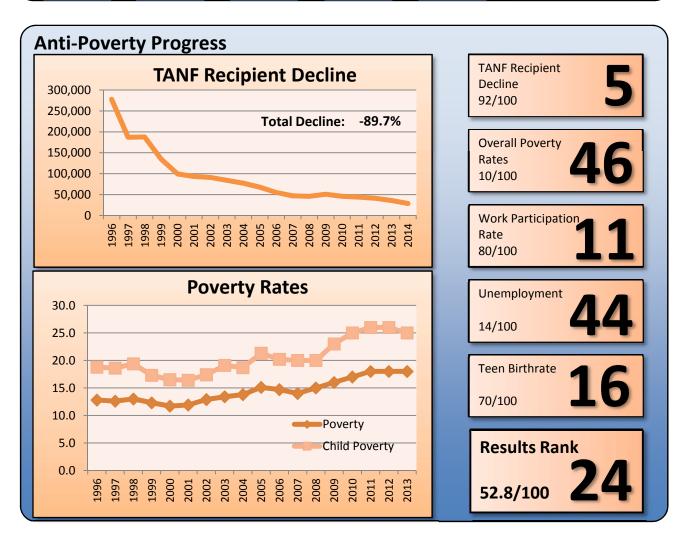












North Dakota

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 26 |
| 2015 Policies Rank | 11 |
| Change | 15 |

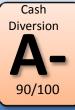
State Budget Information (2013)

MOE Spending: \$9,069,286
Federal Grant: \$24,852,515
\$\$ per Recipient: \$10,789
TANF Recipients (June 2014): 3,144
Welfare Employees: 537
Recipients per Employee: 5.9



Welfare Reform Policies Work Requirements Cash Diversion Integration

100/100



Service Integration 50/100



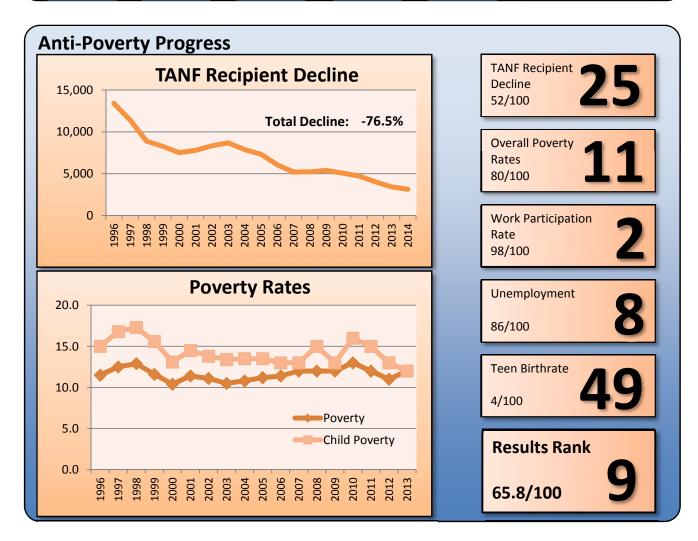
Sanctions

C
80/100

Policies Grade

B+

77.0/100



Governor John Kasich took office in 2011

Ohio

| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 16 |
| 2015 Policies Rank | 33 |
| Change | -17 |

State Budget Information (2013)

| MOE Spending: | \$449,880,946 |
|----------------------------|---------------|
| Federal Grant: | \$513,906,870 |
| \$\$ per Recipient: | \$8,115 |
| TANF Recipients (June 2014 | 118,759 |
| Welfare Employees: | 2,715 |
| Recipients per Employee: | 43.7 |
| | |

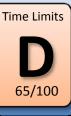


Welfare Reform Policies



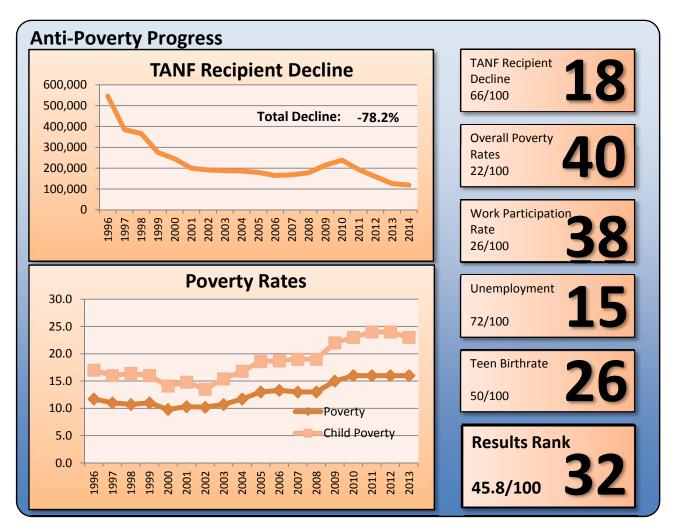








Policies Grade
59.0/100



Oklahoma

| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 4 |
| 2015 Policies Rank | 41 |
| Change | -37 |

State Budget Information (2013)

MOE Spending: \$60,119,714
Federal Grant: \$95,303,031
\$\$ per Recipient: \$10,239
TANF Recipients (June 2014) 15,179
Welfare Employees: 5,820
Recipients per Employee: 2.6



Welfare Reform Policies Work Cash Ser

Work
Requirements
100/100

Cash
Diversion
0/100

Service Integration 17/100

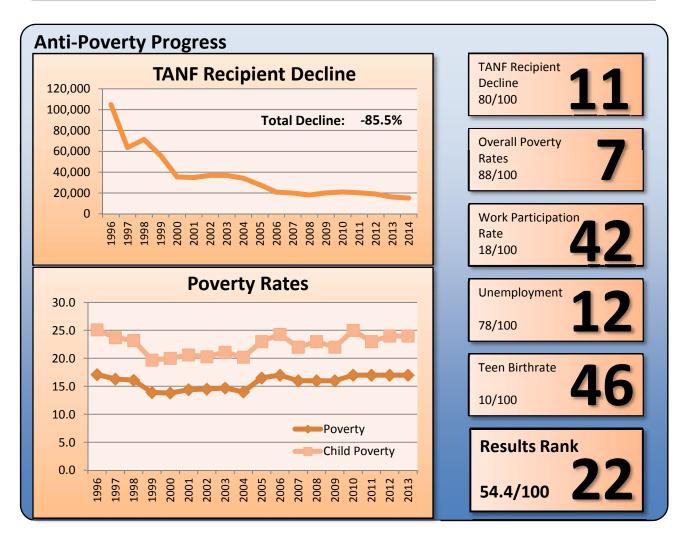
Time Limits

65/100

Sanctions

80/100

Policies Grade
52.3/100



Governor Kate Brown took office in 2015

Oregon

| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 35 |
| 2015 Policies Rank | 45 |
| Change | -10 |

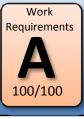
State Budget Information (2013)

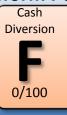
| MOE Spending: | \$160,414,827 |
|-----------------------------|---------------|
| Federal Grant: | \$163,546,011 |
| \$\$ per Recipient: | \$5,908 |
| TANF Recipients (June 2014) | : 54,834 |
| Welfare Employees: | 7,504 |
| Recipients per Employee: | 7.3 |
| | |



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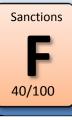
Welfare Reform Policies





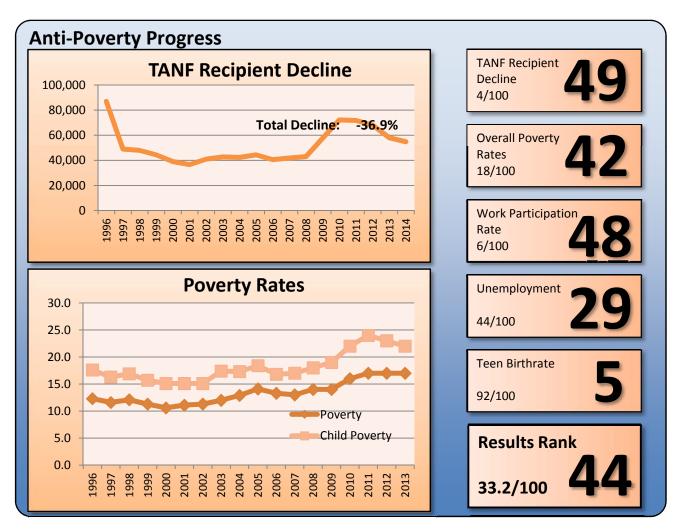






Policies Grade

51.0/100



Pennsylvania

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 39 |
| 2015 Policies Rank | 14 |
| Change | 25 |

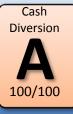
State Budget Information (2013)

MOE Spending: \$411,101,730
Federal Grant: \$458,871,066
\$\$ per Recipient: \$5,089
TANF Recipients (June 2014): 170,944
Welfare Employees: 11,171
Recipients per Employee: 15.3

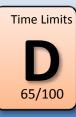


Welfare Reform Policies

Work Requirements 100/100



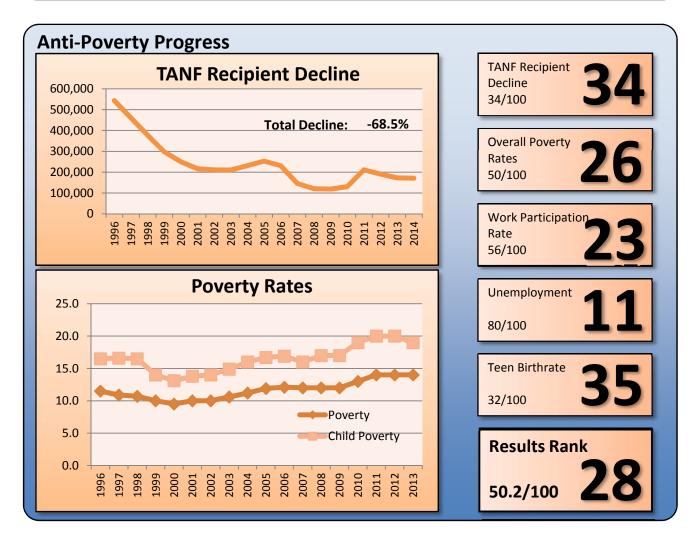
Service Integration B 67/100





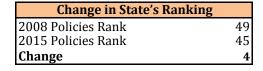
Policies Grade

B
74.3/100



Governor Gina Raimondo took office in 2015

Rhode Island



State Budget Information (2013)

MOE Spending: \$77,729,955
Federal Grant: \$87,991,597
\$\$ per Recipient: \$12,783
TANF Recipients (June 2014): 12,964
Welfare Employees: 1,222
Recipients per Employee: 10.6



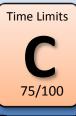
Page 49

Welfare Reform Policies







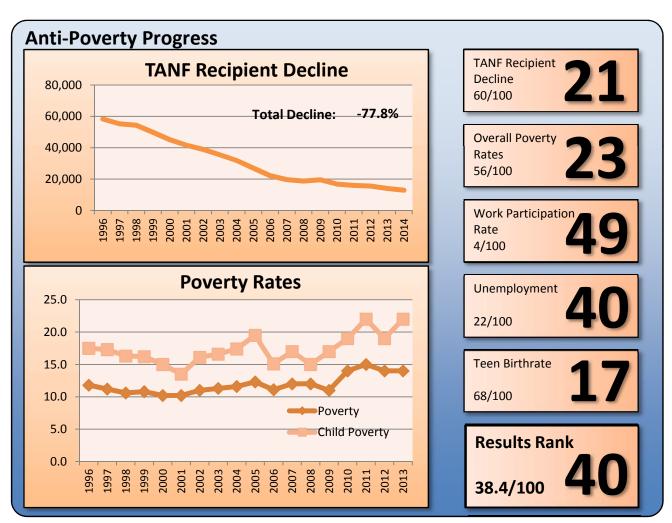


Sanctions

80/100

Policies Grade

51.0/100



South Carolina

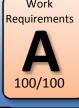
| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 31 |
| 2008 Policies Rank 2015 Policies Rank | 36 |
| Change | -5 |

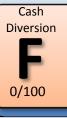
State Budget Information (2013)

| MOE Spending: | \$121,742,901 |
|-----------------------------|---------------|
| Federal Grant: | \$108,483,606 |
| \$\$ per Recipient: | \$9,634 |
| TANF Recipients (June 2014) | : 23,897 |
| Welfare Employees: | 4,683 |
| Recipients per Employee: | 5.1 |
| | |

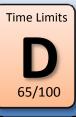


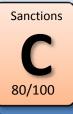
Welfare Reform Policies



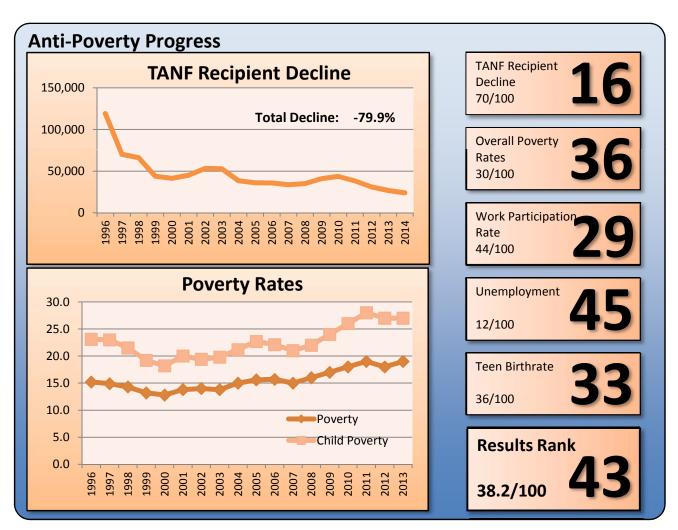








Policies Grade
55.7/100



Governor Dennis Daugaard took office in 2011

South Dakota

Change in State's Ranking2008 Policies Rank262015 Policies Rank1Change25

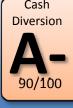
State Budget Information (2013)

| MOE Spending: | \$8,540,000 |
|------------------------------|--------------|
| Federal Grant: | \$16,927,180 |
| \$\$ per Recipient: | \$4,176 |
| TANF Recipients (June 2014): | 6,099 |
| Welfare Employees: | 1,715 |
| Recipients per Employee: | 3.6 |
| | |

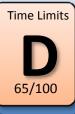


Welfare Reform Policies Work Cash Service



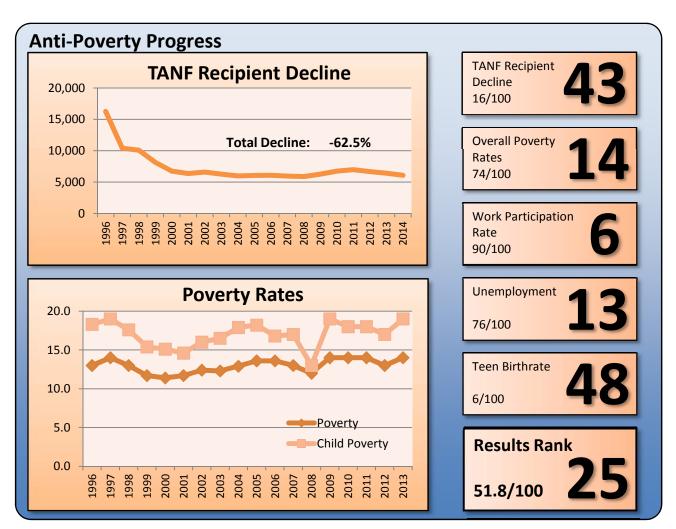








Policies Grade 87.0/100



Governor Bill Haslam took office in 2011

Tennessee

Change in State's Ranking2008 Policies Rank182015 Policies Rank23Change-5

Welfare Reform Policies

Cash

Diversion

90/100

17/100

Work

Requirements

100/100

State Budget Information (2013)

65/100

Tennessee

MOE Spending: \$148,656,727
Federal Grant: \$159,812,734
\$\$ per Recipient: \$2,875
TANF Recipients (June 2014): 107,301
Welfare Employees: 7,516
Recipients per Employee: 14.3

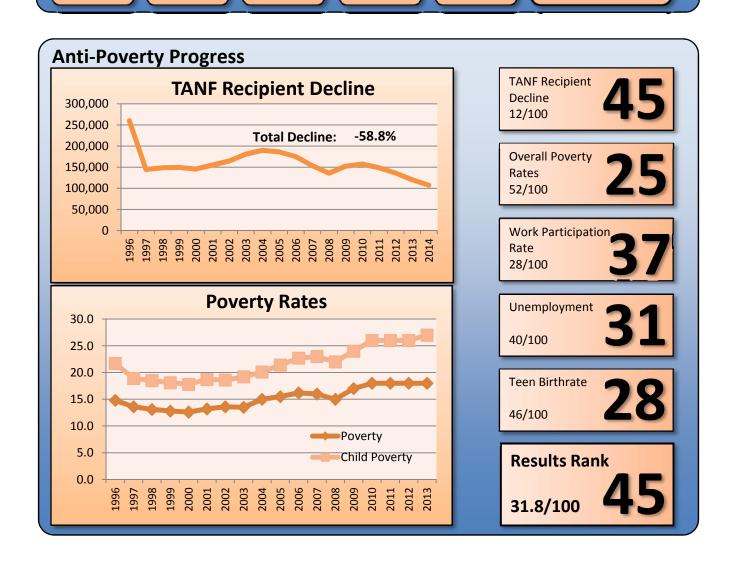


80/100

POLICIES

State Rank

70.3/100



Governor Greg Abbott took office in 2015

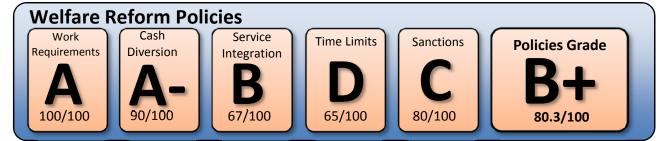
Texas

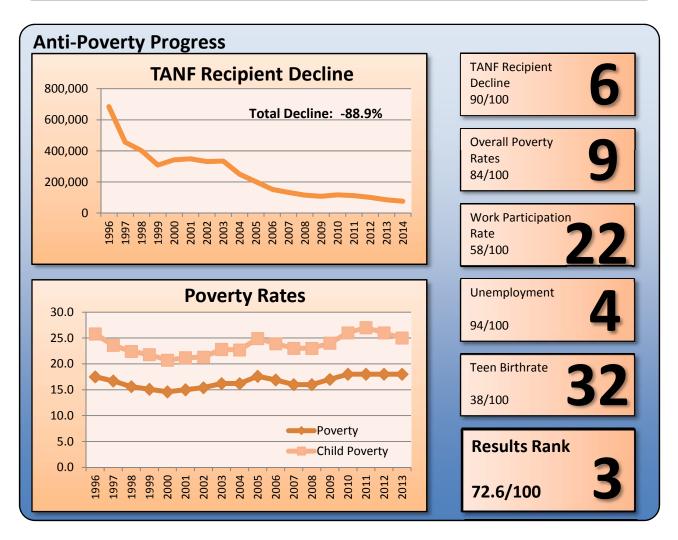
| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 23 |
| 2008 Policies Rank 2015 Policies Rank | 10 |
| Change | 13 |

State Budget Information (2013)

| MOE Spending: | \$386,384,965 |
|-----------------------------|---------------|
| Federal Grant: | \$434,916,544 |
| \$\$ per Recipient: | \$10,844 |
| TANF Recipients (June 2014) | 75,741 |
| Welfare Employees: | 22,525 |
| Recipients per Employee: | 3.4 |
| | |







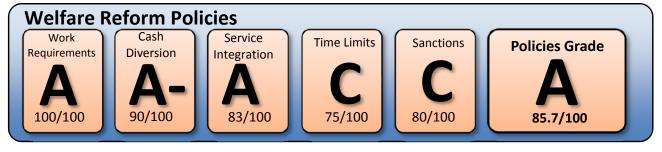
Utah

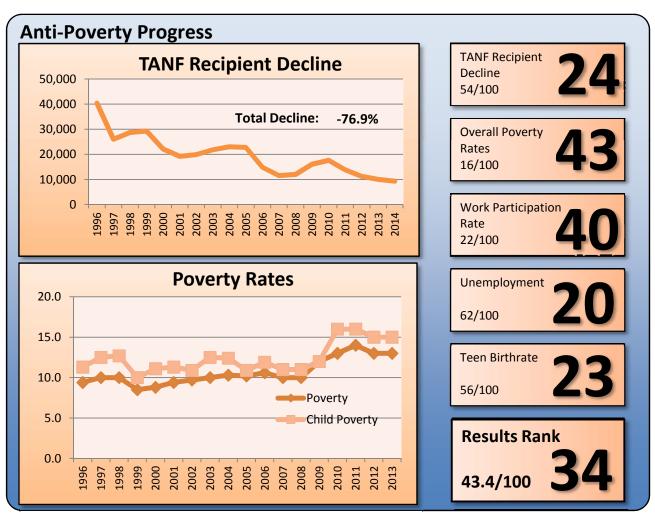
| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 23 |
| 2008 Policies Rank 2015 Policies Rank | 3 |
| Change | 20 |
| | |

State Budget Information (2013)

| MOE Spending: | \$24,889,035 |
|-----------------------------|--------------|
| Federal Grant: | \$45,103,557 |
| \$\$ per Recipient: | \$7,500 |
| TANF Recipients (June 2014) | 9,332 |
| Welfare Employees: | 2,789 |
| Recipients per Employee: | 3.3 |







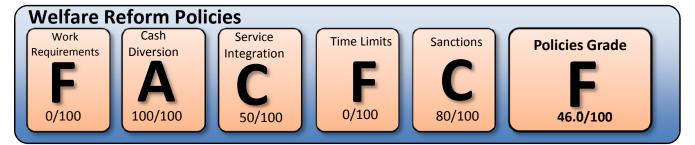
Vermont

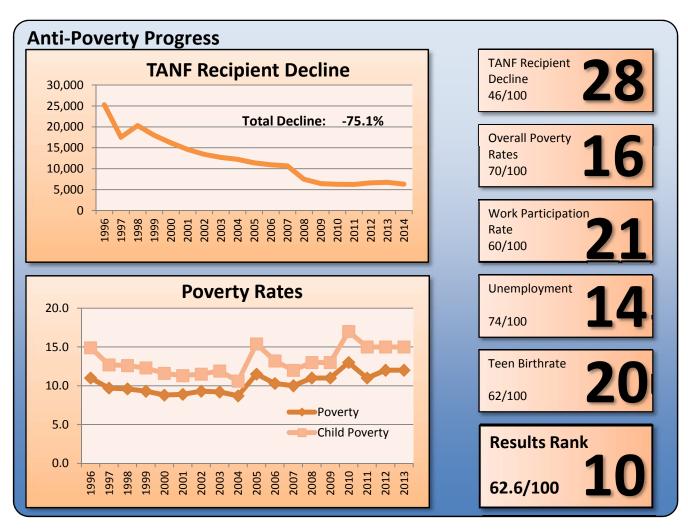
| 2008 Policies Rank | 51 |
|--------------------|----|
| 2015 Polices Rank | 48 |
| Change | 3 |

State Budget Information (2013)

MOE Spending: \$45,128,763
Federal Grant: \$33,393,789
\$\$ per Recipient: \$12,482
TANF Recipients (June 2014): 6,291
Welfare Employees: 1,408
Recipients per Employee: 4.5







Governor Terry McAuliffe took office in 2014

Virginia

| Change in State's Ranking | |
|--|----|
| 2008 Policies Rank | 8 |
| 2008 Policies Rank 2015 Policies Rank | 13 |
| Change | -5 |

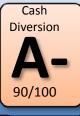
State Budget Information (2013)

| MOE Spending: | \$136,116,343 |
|------------------------------|---------------|
| Federal Grant: | \$121,624,326 |
| \$\$ per Recipient: | \$4,745 |
| TANF Recipients (June 2014): | 54,314 |
| Welfare Employees: | 2,839 |
| Recipients per Employee: | 19.1 |

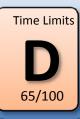
POLICIES State Rank

Welfare Reform Policies

Requirements
75/100



Service Integration B 67/100

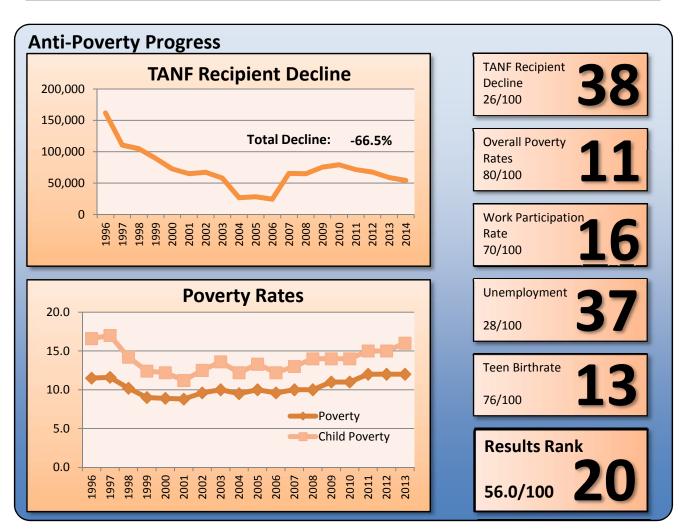


Sanctions

C
80/100

Policies Grade

B
75.3/100



POLICIES

State Rank

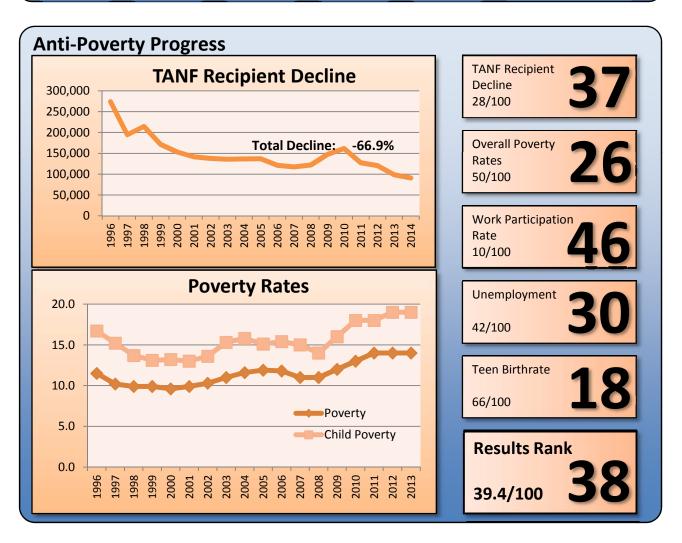
Governor Jay Inslee took office in 2013

Washington

| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 26 |
| 2015 Policies Rank | 34 |
| Change | -8 |

State Budget Information (2013)

| MOE Spending: | \$519,838,508 |
|----------------------------|---------------|
| Federal Grant: | \$256,651,329 |
| \$\$ per Recipient: | \$8,544 |
| TANF Recipients (June 2014 | 90,877 |
| Welfare Employees: | 9,610 |
| Recipients per Employee: | 9.5 |



Governor Earl Ray Tomblin took office in 2010

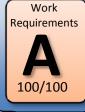
West Virginia

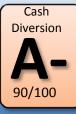
| Change in State's Ranking | |
|---------------------------|----|
| 2008 Policies Rank | 22 |
| 2015 Policies Rank | 17 |
| Change | 5 |

State Budget Information (2013)

| | , |
|------------------------------|--------------|
| MOE Spending: | \$34,446,446 |
| Federal Grant: | \$99,158,679 |
| \$\$ per Recipient: | \$7,368 |
| TANF Recipients (June 2014): | 18,133 |
| Welfare Employees: | 3,458 |
| Recipients per Employee: | 5.2 |
| | |

Welfare Reform Policies

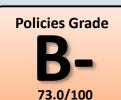




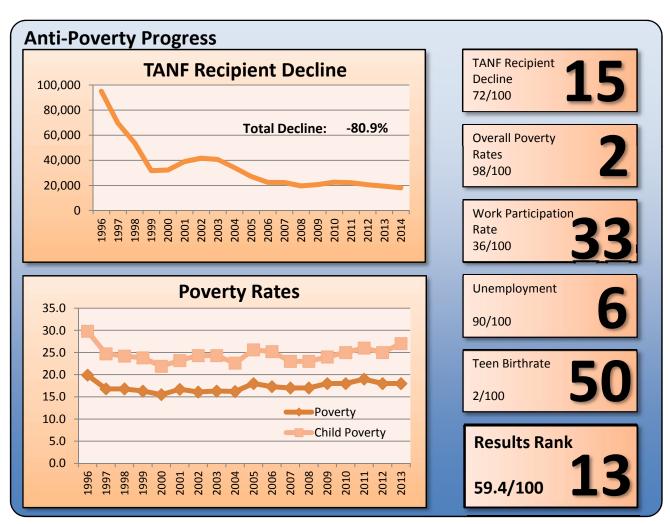








POLICIES



Wisconsin Page 59

Wisconsin

Change in State's Ranking 7 2008 Policies Rank 2015 Policies Rank Change

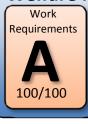
State Budget Information (2013)

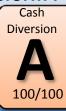
Governor Scott Walker took office in 2011

| MOE Spending: | \$271,435,555 |
|------------------------------|---------------|
| Federal Grant: | \$254,266,337 |
| \$\$ per Recipient: | \$8,164 |
| TANF Recipients (June 2014): | 64,390 |
| Welfare Employees: | 2,113 |
| Recipients per Employee: | 30.5 |



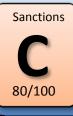
Welfare Reform Policies



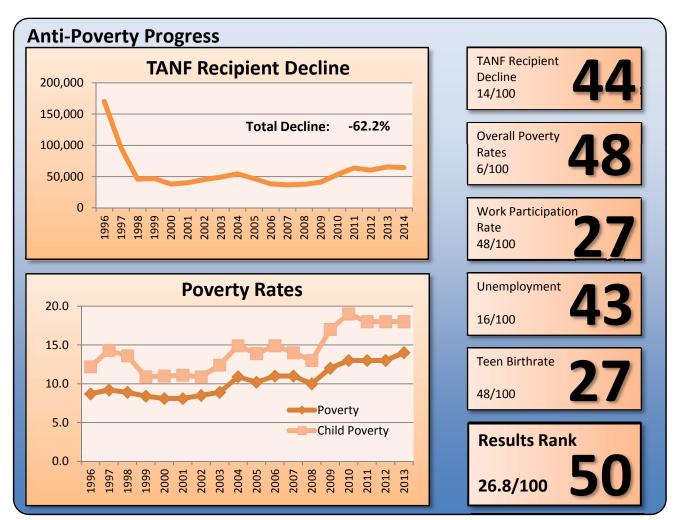








Policies Grade 85.7/100



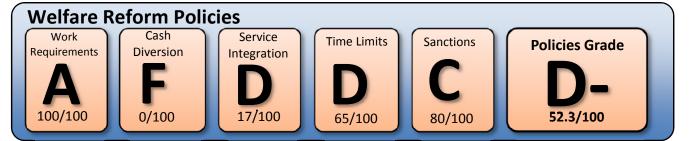
Wyoming

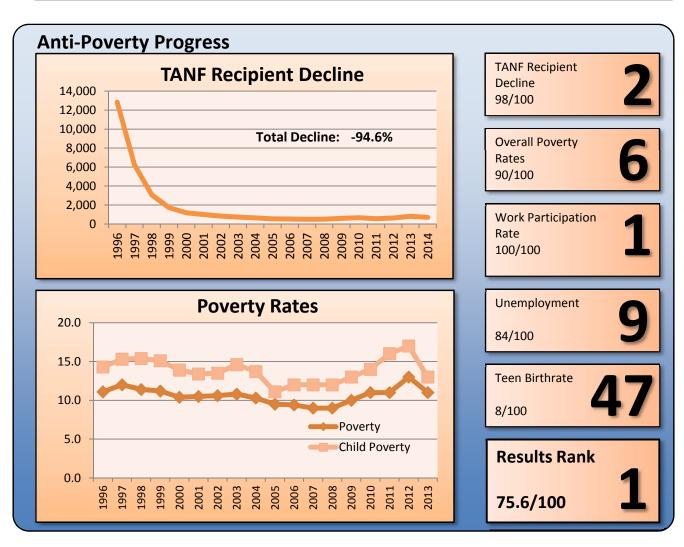
| Change in State's Ranking | |
|---------------------------|-----|
| 2008 Policies Rank | 18 |
| 2015 Policies Rank | 41 |
| Change | -23 |

State Budget Information (2013)

| MOE Spending: | \$9,673,149 |
|-----------------------------|--------------|
| Federal Grant: | \$21,262,576 |
| \$\$ per Recipient: | \$44,257 |
| TANF Recipients (June 2014) | 699 |
| Welfare Employees: | 723 |
| Recipients per Employee: | 1.0 |

POLICIES State Rank 41





6. Welfare Reform Policies

For this report card we evaluated five welfare reform policies: work requirements, cash diversion programs, integration of services, time limits, and sanctions. The average of the five policy areas produces a rank and grade for each state. The rationale for choosing the five welfare reform policies and how they were ranked and graded are presented in this chapter.

Some policies not included in this analysis are also arguably important and could have been included. But the authors' experience and research suggest progress in these five areas is critical to the success or failure of welfare reform/anti-poverty efforts. Our choices reflect the advice of a number of experts, and we are open to suggestions from readers for ways to improve this analysis.

The rationale for choosing the five welfare reform policies and how they were ranked and graded are presented in this chapter.

Work Requirements

PRWORA encourages states to require most TANF recipients to work. In a 2006 report to Congress, the U.S. Department of Health and Human Services noted, "Fostering self-sufficiency through work was the major goal of the 1996 reform, which requires States to meet minimum levels of work participation and offers bonuses for high performance in specific areas." ¹¹

Work improves family well-being economically by providing a steady source of income and the opportunity to acquire assets. It also builds self-esteem, imposes order on adults' lifestyles, creates role models for children, and fosters relationships of respect among adults and between adults and children. Many problems in disadvantaged families often trace back to not having a member of the household in the workforce.

Many of us know from personal experience in our youth that our first job is an effective starting point where the "soft skills" are learned: punctual attendance, taking direction, getting along with co-workers. These skills can later be enhanced by training and promotion, general educational development (GED) achievement, and/or specialized training such as that provided in the nationwide community college system. Research has shown that requiring work as a condition of receiving cash welfare isn't something the system does *to* someone, but rather something done *for* someone. Work is at the heart of a happy life, a statement supported by research. ¹²

¹¹ U.S. Department of Health and Human Services, "Temporary Assistance for Needy Families Program: Seventh Annual Report to Congress," Executive Summary, December 2006, p. i.

¹² See, for example, Jenna Goudreaux, "Meaningful Work – Not Money – Makes People Happy," *Business Insider*, December 16, 2013, http://www.businessinsider.com/work-makes-people-happy-2013-12#ixzz3K68rbYys.

What counts as work? TANF law identifies 12 activities as "work": (1) unsubsidized employment, (2) subsidized private-sector employment, (3) subsidized public-sector employment, (4) work experience, (5) on-the-job training, (6) job search and job readiness assistance, (7) community service programs, (8) vocational educational training, (9) job skills training directly related to employment, (10) education directly related to employment (for those without a high school diploma or equivalent), (11) satisfactory attendance at a secondary school, and (12) provision of childcare to a participant in a community service program.¹³

Before 2006, HHS regulations allowed states to define the specific activities included in each of these categories. In an attempt to ensure consistent measurements of work, in June 2006 HHS started issuing regulations defining TANF work activities for states.¹⁴

Some states have been successful requiring work or work-related activities *before* accepting someone to the TANF rolls.

Some states have been successful requiring work or work-related activities *before* accepting someone to the TANF rolls. For most welfare recipients there is no reason to delay the initiation of work or work-related activities – the sooner the better.

We examined work requirements for all 50 states. States in Category 1 allow more than three months to pass before a TANF recipient must work, and are given zero points and a grade of F. States in Category 2 allow one to three months to pass before requiring work and are given 75 points and a grade of C. States in Category 3 require a TANF recipient to work immediately, earning a perfect 100 points and a grade of A.

Table 2 shows most states (41) require work right away. For eight of those states – Alaska, Colorado, Hawaii, Kentucky, Louisiana, New Mexico, North Carolina, and Rhode Island – this is an improvement over our 2008 report.

It is difficult to understand, much less defend, the actions of the nine states that do not require the immediate initiation of work.

| Table 2 Work Requirements By State | | | | |
|---------------------------------------|--|----------|--------|--|
| State | Number of Months Before Required to Work 2015 | Category | Points | Number of Months Before Required to Work 2008 |
| Alabama | Immediate | 3 | 100 | Immediate |
| Alaska | Immediate | 3 | 100 | 24 |
| Arizona | Immediate | 3 | 100 | Immediate |
| Arkansas | Immediate | 3 | 100 | Immediate |
| Colorado | Immediate | 3 | 100 | 24 or when work ready |

¹³ Gene Falk, "TANF: A Guide to the New Definitions of What Counts as Work Participation," CRS Report for Congress, August 2006.

.

¹⁴ Ibid.

| State | Number of Months Before Required to Work 2015 | Category | Points | Number of Months Before Required to Work 2008 |
|----------------|--|----------|--------|--|
| Delaware | Immediate | 3 | 100 | Immediate |
| Florida | Immediate | 3 | 100 | Immediate |
| Hawaii | Immediate | 3 | 100 | 24 |
| Idaho | Immediate | 3 | 100 | Immediate |
| Indiana | Immediate | 3 | 100 | Immediate |
| Iowa | Immediate | 3 | 100 | Immediate |
| Kentucky | Immediate | 3 | 100 | 24 |
| Louisiana | Immediate | 3 | 100 | 24 |
| Maine | Immediate | 3 | 100 | Immediate |
| Maryland | Immediate | 3 | 100 | Immediate |
| Michigan | Immediate | 3 | 100 | Immediate |
| Minnesota | Immediate | 3 | 100 | Immediate |
| Mississippi | Immediate | 3 | 100 | Immediate |
| Montana | Immediate | 3 | 100 | Immediate |
| Nebraska | Immediate | 3 | 100 | Immediate |
| Nevada | Immediate | 3 | 100 | Immediate |
| New Hampshire | Immediate | 3 | 100 | Immediate |
| New Jersey | Immediate | 3 | 100 | Immediate |
| New Mexico | Immediate | 3 | 100 | 3 |
| New York | Immediate | 3 | 100 | Immediate |
| North Carolina | Immediate | 3 | 100 | 3 |
| North Dakota | Immediate | 3 | 100 | Immediate |
| Ohio | Immediate | 3 | 100 | Immediate |
| Oklahoma | Immediate | 3 | 100 | Immediate |
| Oregon | Immediate | 3 | 100 | Immediate |
| Pennsylvania | Immediate | 3 | 100 | Immediate |
| Rhode Island | Immediate | 3 | 100 | 24 |
| South Carolina | Immediate | 3 | 100 | Immediate |
| South Dakota | Immediate | 3 | 100 | Immediate |
| Tennessee | Immediate | 3 | 100 | Immediate |
| Texas | Immediate | 3 | 100 | Immediate |
| Utah | Immediate | 3 | 100 | Immediate |
| Washington | Immediate | 3 | 100 | Immediate |
| West Virginia | Immediate | 3 | 100 | Immediate |
| Wisconsin | Immediate | 3 | 100 | Immediate |
| Wyoming | Immediate | 3 | 100 | Immediate |
| California | 3 | 2 | 75 | Immediate |
| Georgia | 3 | 2 | 75 | 24 |
| Illinois | 1 | 2 | 75 | Immediate |

| State | Number of Months Before Required to Work 2015 | Category | Points | Number of Months Before Required to Work 2008 |
|-----------------------|--|--------------|--------|--|
| Virginia | 1 | 2 | 75 | 3 |
| Connecticut | 21 | 1 | 0 | Immediate |
| Kansas | When work ready, no limit | 1 | 0 | 24 or when work ready |
| Massachusetts | 24 | 1 | 0 | 2 |
| Missouri | 24 | 1 | 0 | 24 |
| Vermont | 12 | 1 | 0 | 18 |
| Source: Emails and in | nterviews with state officials, April – | August 2013. | | |

Cash Diversion

"Cash diversion" is a welfare reform policy whereby the state provides applicants with a lump-sum cash payment to meet a short-term need, worth up to a few months of benefits, if they agree not to participate in TANF for some stated period of time. For example, when a working mother's car breaks down, cash diversion allows the caseworker to provide money to fix the car without enrolling her on welfare. Some call the practice "front-door money." Other diversions include immediate job training and placement or other assistance.

Cash diversion empowers caseworkers to fix problems without adding people to welfare rolls, reducing the amount of time they must devote to people who do not need long-term support as well as staving off dependence. It also improves the relationship between caseworkers and clients by giving the caseworker more flexibility to meet the client's need.

More than half the states have cash diversion programs in place. We grouped all 50 states into three categories and awarded points based on their cash diversion policies. Category 1 states have no cash diversion program and receive zero points and a grade of F. Category 2 states offer a cash diversion program without referral to job search or placement and receive 90 points and an A-. Category 3 states offer cash diversion and referral to job search and placement programs and get a perfect score of 100 and a grade of A.

Table 3 shows 12 states have diversion programs combined with referral to job search or job placement, scoring 100 points. Twenty-one states have cash diversion programs without referral, scoring 90 points, and the remaining 17 states lack cash diversion programs and score zero points. It is difficult to understand how the 17 states that lack the cash diversion option can defend that policy.

Many of the states that scored in the top category in the current survey moved there from lower categories in the 2008 survey, with Michigan, Nevada, New Jersey, Pennsylvania, and Vermont

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¹⁵ Gary MacDougal, *Make a Difference: A Spectacular Breakthrough in the Fight Against Policy* (New York: St. Martin's Press, updated edition 2005), pp. 291–92.

going from Category 1 – no cash diversion program at all – to Category 3, cash diversion with referral to job search or placement. Ohio and Oregon moved in the opposite direction, from the top category in our 2008 survey to the bottom in this 2015 report.

| | | | Table 3 Cash Diversion Progran | าร | | | |
|-------------------------|-----------------------|-----------------------------------|--|---|--------|----------|------------------|
| | | | 2015 | | | | |
| State | Diversion Program? | Benefit Equivalent (months) | Cash Limit | Referral to Job Search or Job Placement | Points | Category | 2008 Category |
| | | | | | | | |
| Alaska | YES | 3 | n.a. | YES | 100 | 3 | 2 |
| Arkansas | YES | 3 | n.a. | YES | 100 | 3 | 2 |
| Idaho | YES | 3 | n.a. | YES | 100 | 3 | 3 |
| Maryland | YES | 3 | n.a. | YES | 100 | 3 | 3 |
| Michigan | YES | 3 | n.a. | YES | 100 | 3 | 1 |
| Minnesota | YES | n.a. | Benefits paid monthly, equal to the difference between countable income and the sum of its actual housing costs, utility costs, \$35 per month for telephone services, and up to \$70 per unit member for personal needs allowance. Total monthly amount cannot exceed cash portion of TANF Transitional Standard. | YES | 100 | 3 | 2 |
| Nevada | YES | n.a. | The value is determined on a case-by-case basis depending on the specific immediate needs of the family. | YES | 100 | 3 | 1 |
| New Jersey | YES | n.a. | Amount is relative to the number of persons in the beneficiary unit. The maximum amount, for a unit of 8 or more, is \$1,550. For a unit of 3 the maximum amount is \$750. The maximum amount of the lump sum, provided only to those who find employment, is \$633 for 8 people and \$521 for a 3-person unit. | YES | 100 | 3 | 1 |
| New York | YES | 200 | Cash payment or voucher, the value of which is determined on a case-by-case basis depending on the specific needs of the family. | YES | 100 | 3 | 3 |
| | YES | n.a. 3 | ' | YES | 100 | 3 | 1 |
| Pennsylvania Vermont | YES | 4 | n.a. n.a. | YES | 100 | 3 | 1 |
| Wisconsin | YES | n.a. | The caseworker may issue loans between \$25 and \$1,600. In a 12-month period, a beneficiary unit may not receive more than \$1,600 in loans or have an outstanding loan balance of more than \$1,600. | YES | 100 | 3 | 3 |
| Arizona | YES | 3 | n.a. | NO | 90 | 2 | 3 |
| | | | | | ~ | | |

| | | | 2015 | | | | |
|----------------|--------------------|-----------------------------------|--|---|--------|----------|------------------|
| State | Diversion Program? | Benefit Equivalent (months) | Cash Limit | Referral to Job Search or Job Placement | Points | Category | 2008 Category |
| | | | Varies based on need. For Standard cases, maximum payment is the greater of \$2,000 or 3 months. For Compelling Need cases, maximum payment is \$4,000. Compelling Need is defined as a one-time expense that exceeds the standard amount but is necessary to allow an applicant to remain self- | | | | |
| California | YES | n.a. | sufficient. | NO | 90 | 2 | 3 |
| Colorado | YES | n.a. | Amount determined on a case-by- case basis. Amounts between \$1,501 and \$2,999 require supervisory approval. Amounts of \$3,000 or more require approval from county policy managers. | NO | 90 | 2 | 3 |
| Connecticut | YES | 3 | n.a. | NO | 90 | 2 | 2 |
| Delaware | YES | n.a. | \$1,500 or the financial need resulting from the crisis, whichever is less. | NO | 90 | 2 | 2 |
| Florida | YES | n.a. | \$1,000 for up-front diversion, unlimited for Relocation Assistance (up to the total amount needed for relocation costs). | NO | 90 | 2 | 3 |
| Illinois | YES | n.a. | No information provided. | NO | 90 | 2 | 2 |
| Kansas | YES | n.a. | \$1,000 | NO | 90 | 2 | 1 |
| Kentucky | YES | n.a. | Amount necessary to resolve the short-term needs of the household for 3 months, up to \$1,300 regardless of family size. | NO | 90 | 2 | 3 |
| Louisiana | YES | 4 | n.a. | NO | 90 | 2 | 1 |
| Maine | YES | 3 | n.a. | NO | 90 | 2 | 2 |
| New Mexico | YES | n.a. | \$1,500 for a family of 1–3 \$2,500 for a family of 4 or more. | NO | 90 | 2 | 1 |
| North Carolina | YES | 3 | n.a. | NO | 90 | 2 | 1 |
| North Dakota | YES | n.a. | Amounts vary. Housing/Shelter costs are vendor paid. Disaster-related expenses are vendor paid. Emergency household needs is limited to a monthly amount of \$430 (max 1,720 for 4 months). Supportive services amounts vary and can include job-related expenses; vehicle repairs; cost of books, tuition, and fees associated with a work activity; professional licenses fees and examination fees; moving expenses to accept a job offer or to be closer to work; transportation, lodging, grooming, or clothing necessary for interviews. | NO | 90 | 2 | 3 |
| South Dakota | YES | 2 | n.a. | NO | 90 | 2 | 1 |
| Tennessee | YES | n.a. | A one-time lump sum payment of \$1,200. | NO | 90 | 2 | 1 |

| | | | 2015 | | | | |
|----------------|--------------------|-----------------------------------|--|---|--------|----------|------------------|
| State | Diversion Program? | Benefit Equivalent (months) | Cash Limit | Referral to Job Search or Job Placement | Points | Category | 2008 Category |
| Texas | YES | n.a. | Lump sum benefit of \$1,000, regardless of family size. | NO | 90 | 2 | 3 |
| Utah | YES | 3 | n.a. | NO | 90 | 2 | 2 |
| Virginia | YES | 4 | n.a. | NO | 90 | 2 | 2 |
| Washington | YES | n.a. | Amount determined based on beneficiary unit's needs, up to a maximum of \$1,250. | NO | 90 | 2 | 2 |
| West Virginia | YES | 3 | n.a. | NO | 90 | 2 | 2 |
| Alabama | NO | n.a. | n.a. | NO | 0 | 1 | 1 |
| Georgia | NO | n.a. | n.a. | YES | 0 | 1 | 1 |
| Hawaii | NO | n.a. | n.a. | YES | 0 | 1 | 1 |
| Indiana | NO | n.a. | n.a. | YES | 0 | 1 | 1 |
| lowa | NO | n.a. | n.a. | NO | 0 | 1 | 2 |
| Massachusetts | NO | n.a. | n.a. | NO | 0 | 1 | 1 |
| Mississippi | NO | n.a. | n.a. | YES | 0 | 1 | 1 |
| Missouri | NO | n.a. | n.a. | NO | 0 | 1 | 1 |
| Montana | NO | n.a. | n.a. | NO | 0 | 1 | 1 |
| Nebraska | NO | n.a. | n.a. | NO | 0 | 1 | 1 |
| New Hampshire | NO | n.a. | n.a. | NO | 0 | 1 | 2 |
| Ohio | NO | n.a. | n.a. | NO | 0 | 1 | 3 |
| Oklahoma | NO | n.a. | n.a. | NO | 0 | 1 | 2 |
| Oregon | NO | n.a. | n.a. | NO | 0 | 1 | 3 |
| Rhode Island | NO | n.a. | n.a. | NO | 0 | 1 | 1 |
| South Carolina | NO | n.a. | n.a. | YES | 0 | 1 | 2 |
| Wyoming | NO | n.a. | n.a. | NO | 0 | 1 | 1 |

Integration of Services

In addition to cash assistance (TANF), welfare recipients are usually in need of other services to enable them to overcome barriers to employment and self-sufficiency. "Integration of services" refers to organizing state systems in a way that allows welfare and other services to be delivered in a coordinated, holistic, "one-stop" fashion, either physically under one roof or effectively connected in other ways such as Internet-based connections with other federal and state programs and related nonprofit organizations. ¹⁶

Rather than making TANF-eligible persons go to three different offices for alcohol and substance abuse treatment, childcare, and job training, for example, service integration would

¹⁶ The successful application of this welfare reform policy in Illinois is a primary message of Gary MacDougal, *ibid.* See also Gary MacDougal, "A Republican War on Poverty," *The Wall Street Journal*, September 15, 2014, http://www.wsj.com/articles/gary-macdougal-a-new-republican-war-on-poverty-1410822789.

connect all three services organizationally, often with a single caseworker or "self-sufficiency coach" and ideally (as most welfare recipients don't have cars) in the same location.

Service integration should be of keen interest to state policymakers.

Those unemployed and living in poverty are faced with numerous barriers to entering the workforce. ¹⁷ Often these barriers include a combination of the lack of job experience, childcare for their dependent children, and

reliable transportation. Other barriers may include a criminal background and drug and alcohol abuse. ¹⁸ If these welfare recipients are asked to climb a ladder of opportunity, that ladder cannot have missing rungs. If one rung of the ladder is missing, the transition is likely to fail.

For example, alcohol and drug treatment without a job at the end is likely to result in a relapse, so the person completing drug treatment should be quickly enrolled in a job training or job search program. Likewise, putting people into entry-level jobs without first addressing their alcohol or drug abuse problem can lead to unexplained absences, disappointed employers, and return to unemployment and welfare.

Service integration also aids caseworkers by giving them access to all the records for one individual in one place, making for easier case-tracking and efficiency and ultimately leading to a higher likelihood of success for caseworkers working with their clients. As a report by the Annie E. Casey Foundation concluded, "Co-locating certified alcohol and drug professionals in the welfare office greatly facilitates the interface between the two systems and lets welfare offices stretch their limited case management resources." ¹⁹

Service integration should be of keen interest to state policymakers. Unfortunately, federal government programs are notoriously fragmented and states must work hard to connect them effectively. Billions of public dollars pour into poor communities through so many different programs, run by so many different bureaucracies, that a special analysis is needed to determine exactly how much is being spent in each community overall or who is receiving what types of aid. Service integration is an extremely promising route to efficiency and accountability in a part of government that has long resisted both.

Few public aid directors admit the programs they administer are not effectively integrated, and most of those who see the problem say plans are in place to improve the situation. But public

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¹⁷ Gary MacDougal, *Make a Difference*, *supra* note 15, chapter 1.

¹⁸ See Sharon Parrott *et al.*, "Implementing the TANF Changes in the Deficit Reduction Act: 'Win-Win' Solutions for Families and States," Center on Budget and Policy Priorities and Center for Law and Social Policy, Second Edition, February 2007. See also Andrea Wilkins, "Substance Abuse and TANF," *State Legislatures*, April 2003.

¹⁹ Ginger Parra, "Welfare Reform and Substance Abuse: Innovative State Strategies," *National Health Policy Forum* No. 771, March 7, 2002.

²⁰ Gary MacDougal, *Make a Difference*, *supra* note 15, pp. 6–7. See also Peter Ferrara, "Block Grants for All: Liberating the Poor and Taxpayers Alike," *Policy Brief*, The Heartland Institute, May 2014, http://heartland.org/policy-documents/block-grants-all-liberating-poor-and-taxpayers-alike.

announcements of initiatives, diagrams and charts on websites, and good intentions often don't add up to service integration in the real world, where needy people too often cannot get the help necessary for success. As difficult as service integration is to measure and compare among states, integration is so important that it must be included among the top five policy areas and the best-available information must be obtained and evaluated for comparison.

The authors used a combination of direct inquiries to public aid directors in most states, analysis of state websites, reports of integration in the research literature, and knowledge based on consulting with many state agencies during the past decade to grade each of three components of service integration: state-level, local-level, and casemanagement integration.

As difficult as service integration is to measure and compare among states, integration is so important that it must be included among the top five policy areas and the best-available information must be obtained and evaluated for comparison.

For each of the three components, states were assigned one of three scores: 0 (below average), 50 (average), and 100 (above average). We then averaged the three scores, giving a final score for each state that could be as high as 100, achieved only by South Dakota. States with average scores between 76 and 100 were awarded an A; between 51 and 75, B; between 26 and 50, C; and between 1 and 25, D. A score of 0, "achieved" by Rhode Island, garnered an F.

In addition to South Dakota, Massachusetts, Nevada, Utah, and Wisconsin also achieved grades of A, each with overall scores of 83. Table 4 below shows the grades for each state and describes in some detail our assessment of service integration.

Table 4 Service Integration

State departments of health, human services, and/or social services were contacted at least three times between May 2013 and January 2015. Officials in all states responded at least once to our inquiries.

| Officials III all state | Officials III all states responded at least office to our inquiries. | | | | | |
|-------------------------|---|----------------|----------------|--------------------|----------------|----------|
| State | Description | State Level | Local Level | Case Management | Final Score | Grade |
| South Dakota | South Dakota has an <i>above average</i> degree of service integration at the state level. Food Stamps, TANF, Medicaid, job training, childcare, transportation, alcohol and substance abuse, and mental health services are fully integrated at the state level as part of South Dakota's human services department. At the local level, integration is <i>above average</i> . All services can be accessed at one location. If specific staff is not on-site, the on-site staff will help recipients connect to the appropriate resource. Steps have been taken in South Dakota to strengthen the case management function and it is <i>above average</i> . All TANF applicants and recipients have a dedicated employment specialist to help them address barriers to employment. They also have a dedicated benefits specialist who through assessment and eligibility determination helps them connect with programs to assist them. | 100 | 100 | 100 | 100 | V |
| Massachusetts | Massachusetts has an <i>above average</i> degree of service integration at the state level. Food Stamps, TANF, Medicaid, job training, childcare, transportation, alcohol and substance abuse, and mental health are all fully integrated at the state level. At the local community level, Massachusetts has an <i>above average</i> degree of service integration. Welfare recipients can get all the above services at a single location. Steps have been taken in Massachusetts to strengthen the case management function and it is <i>average</i> , but stronger connections with needed services are needed. | 100 | 100 | 50 | 83 | A |
| Nevada | Nevada has an <i>above average</i> degree of service integration at the state level. SNAP, TANF, Medicaid eligibility, TANF and SNAP employment and training programs (includes transportation), social work crisis intervention, childcare, energy assistance, and child support services are all administered by the Division of Welfare and Supportive Services. Medicaid services are administered by the Division of Health Care Financing and Policy and mental health, alcohol and substance abuse, and other family support services are administered by the Division of Public and Behavioral Health. In addition, Nevada Department of Health and Human Services contracts with non-profit vendors to provide alcohol/substance abuse and domestic violence services to TANF recipients in order to address these employment barriers. At the local level, the service integration is <i>average</i> . SNAP, TANF, Medicaid eligibility, social work crisis intervention, and childcare services may be accessed at one location. The case management function is <i>above average</i> . Each federally defined work-eligible individual is assigned a case manager. Individuals with multiple complex barriers such as mental health, substance abuse, child protective agency client, etc. are assigned to a licensed social worker case manager. | 100 | 50 | 100 | 83 | V |
| Utah | Utah has an average degree of service integration at the state level, but the essential alcohol and substance abuse programs remain in a department separate from other human | 50 | 100 | 100 | 83 | A |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|-----------|--|----------------|-------|--------------------|----------------|-------|
| | services. At the local level, integration is <i>above average</i> . Recipients can find all services at one location. Steps have been taken in Utah to strengthen the case management function and it is <i>above average</i> . | | | | | |
| Wisconsin | Wisconsin has an <i>average</i> degree of service integration at the state level. The Wisconsin Department of Children and Families oversees TANF, childcare and related job training, transportation, alcohol and substance abuse, and mental health. The Wisconsin Department of Human Services oversees food stamps and Medicaid. At the local level, integration is <i>above average</i> . These services are provided at one location. Steps have been taken in Wisconsin to strengthen the case management function and it is <i>above average</i> . | 50 | 100 | 100 | 83 | А |
| Alaska | Alaska has an above average degree of service integration at the state level. Food stamps (SNAP), Medicaid, TANF, work search services, Parents Achieving Self Sufficiency (PASS) childcare assistance, and behavioral health services like mental health, alcohol abuse, and substance abuse services are included in the Department of Health and Human Services. Job training and transportation services for the general public or low-income Alaskans not eligible for benefits through the Alaska Temporary Assistance Programs (ATAP) are provided through other community agencies. At the local level, integration is average. For many programs, in-person application is not required. In general, services statewide are grouped by type and available in larger communities, and are available long-distance for recipients in rural Alaska. Eligibility determinations for food stamps, Medication for multiple programs. 'Fee agents' in more than 100 villages statewide application for multiple programs. 'Fee agents' in more than 100 villages statewide provide application assistance and interviews for these programs locally where there is no public assistance office. Work services including PASS (childcare), transportation and work search, case management, self-sufficiency planning, job readiness, work experience, and coordination of social service agency resources are available at a single location for ATAP recipients, some work services and PASS agencies are co-located with public assistance eligibility offices, while others are at nearby locations offisite. Behavioral health substance abuse, and alcohol abuse services behavioral health grantees offer mental health, substance abuse, and alcohol abuse services behavioral health grantees offer mental health, substance abuse, and alcohol abuses process management model. Applicants and recipients who have benefits from multiple programs (for example, food stamps and Medicaid in addition to ATAP) have a single integrated case. Cases are processed by the intake team, change to ongoing cases by th | 100 | 50 | 20 | 29 | В |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|-------------|---|----------------|-------|--------------------|----------------|-------|
| | needed, as well as provide job referrals, assignment of activities to increase income, and other supports needed to become self-sufficient. Rural Alaska communities often do not have behavioral health providers, may have few or even no local medical care provider beyond itinerant health aides; and often have limited or no other legal and social services. In larger communities, access is still often limited due to a lack of providers and waitlists for services. | | | | | |
| California | California has an <i>average</i> degree of service integration at the state level; the essential alcohol and substance abuse programs remain in a department separate from other human services. California's TANF program, CalWORKs, is county-run with oversight by the state Department of Social Services. At the local level, integration is <i>average</i> . Some counties offer all services in one location, but others do not. Steps have been taken in California to strengthen the case management function and it is <i>above average</i> , but stronger connections with needed services are needed. Each county implements its case management based upon local decisions and needs. While all eligibility work is required by law to be done by county staff, welfare-to-work case management varies by county. For example, some counties have "combined workers" who act as both the eligibility and welfare-to-work worker, while other counties have eligibility and welfare-to-work case management. In addition to these variations, some counties move their sanctioned cases to special caseloads, whereas other counties retain their sanctioned cases within a worker's general caseload. | 20 | 50 | 100 | 29 | В |
| Connecticut | Connecticut has an <i>average</i> degree of service integration at the state level. TANF, Medicaid, and food stamps are included within the Department of Social Services (DSS), but alcohol and substance abuse services and mental health services are not. At the local level, service integration is <i>average</i> . DSS has 12 offices throughout Connecticut for residents to apply for TANF, Medicaid, and/or food stamps. The case management function is <i>above average</i> in Connecticut. The state's TANF program operates as follows: DSS eligibility worker handles eligibility determination – i.e., determines if applicant is exempt or mandatory for work requirements. If mandatory, DSS refers client to the Department of Labor, which funds contractors to provide case managers. Case managers and clients together develop an employment/training plan, and case managers monitor for compliance. If there is non-compliance with the employment/training plan, the client is referred back to the DSS eligibility worker to handle sanctions. Connecticut also provides "barrier intervention" services by an external contractor for mandatory TANF clients who have difficulty engaging in work-related activity. | 20 | 50 | 100 | 29 | В |
| Delaware | Delaware has an <i>average</i> degree of service integration at the state level. Most Department of Health and Social Services offices are located in state service centers, where some agencies such as labor, child support, and vocational rehabilitation are also housed. Child welfare services are not well-integrated into the separate departments. At the local level, service integration is <i>average</i> . The case management function is <i>above average</i> . During an | 50 | 50 | 100 | 29 | В |

| State | assessment process for other services, TANF recipients in need of additional services are linked to treatment services and a specialized case manager vendor who is co-located at the vendor sites. | State Level | Local | Case Management | Final Score | Grade |
|----------|---|----------------|-------|--------------------|----------------|-------|
| Kansas | Kansas has an <i>average</i> degree of service integration at the state level. Food assistance, TANF, medical eligibility, childcare, transportation, and other support services are provided through the Department for Children and Families (DCF). Economic and employment services, such as long- or short-term training, alcohol/substance abuse treatment, and mental health services can be purchased for clients as a part of their plan for self-sufficiency; these services are not part of the principal human services department. At the local level, Kansas has an <i>average</i> degree of service integration. DCF services are available at centers across the state. Other services, such as training, mental health, or alcohol and drug treatment programs, are not available at DCF centers, but referral information is available for clients. Services may or may not be available in the community, depending upon the community. The case management function in Kansas is <i>above average</i> . Each TANF recipient is assigned to a team of staff who perform certain functions in the process to meet the client's needs in one visit and to reduce the number of contacts the client must make to receive needed services. Each TANF recipient has a dedicated work programs worker, unless he or she is exempt from participation in work activities. | 50 | 50 | 100 | 29 | В |
| Kentucky | Kentucky has an <i>above average</i> degree of service integration at the state level. Food stamps, TANF, Medicaid, job training, childcare, transportation, alcohol and substance abuse, and mental health services are under the umbrella of the Cabinet for Health and Family Services, the Department for Community Based Services (DCBS) administers SNAP, TANF, Medicaid eligibility, and childcare assistance. DCBS also administers the TANF work program, which provides transportation and other support services for adults required to participate in the work program. The Department for Behavioral Health, Developmental and Intellectual Disabilities (DBHDID) is also housed in the Cabinet for Health and Family Services. DBHDID contracts with a statewide network of community mental health centers that provide substance abuse and behavioral health services. At the local level, Kentucky has an <i>average</i> degree of integration. Services are delivered at a single location with the exception of alcohol, substance abuse, and mental health services, which are provided through community mental health centers and private health care providers. The case management function in Kentucky is <i>average</i> . Although the commonwealth has moved to a task-based rather than caseload-based service delivery model, TANF recipients with a work participation requirement still work primarily with a dedicated case manager to address issues relating to the work program. | 100 | 50 | 50 | 29 | В |
| Montana | Montana has an <i>above average</i> degree of service integration at the state level. The Montana Department of Public Health and Human Services houses Medicaid, Healthy Montana Kids (CHIP), SNAP, TANF, childcare, mental health, and substance abuse treatment. At the | 100 | 50 | 50 | 29 | В |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|---------------|--|----------------|-------|--------------------|----------------|-------|
| | local level, service integration is average. Within the Montana Department of Public Health and Human Services, many divisions and offices are spread out over the state. The case management function is average as TANF recipients are not assigned to one caseworker. | | | | | |
| New Hampshire | New Hampshire has an <i>above average</i> degree of service integration at the state level. Food stamps, TANF, Medicaid, job training, childcare, transportation, alcohol and substance abuse, and mental health services are fully integrated at the state level. At the community level, the level of integration is <i>below average</i> . Many services require recipients to visit multiple locations. Steps have been taken to strengthen the case management function and it is <i>above average</i> , but each TANF recipient does not have an individual case manager for his or her needs. | 100 | 0 | 100 | 29 | В |
| New Jersey | New Jersey has an <i>average</i> degree of service integration at the state level. The TANF program is overseen by the New Jersey Department of Human Services, Division of Family Development, but the program is administered by county welfare agencies (CWAs). At the local level, service integration is <i>above average</i> . New Jersey has many "one-stop" centers across the state. The case management function in New Jersey is <i>average</i> , as recipients are referred to other departments with other case managers and are not assigned to one caseworker. | 50 | 100 | 50 | 67 | В |
| Pennsylvania | Pennsylvania has an <i>above average</i> degree of service integration at the state level. Human services are housed in one state agency, the Department of Public Welfare, which makes administering human services integrated, holistic, and coordinated. At the local level, service integration is <i>average</i> . Local offices are spread out across Pennsylvania and not all services are co-located under one roof. The case management function in Pennsylvania is <i>average</i> . While case managers directly serve clients in various local offices, recipients are not assigned to one caseworker. | 100 | 50 | 50 | 67 | В |
| Texas | Texas has an <i>average</i> degree of service integration at the state level; the essential alcohol and substance abuse programs remain in a department separate from other human services. At the local level, integration is <i>above average</i> as all of the services can be accessed at a single location. Steps have been taken in Texas to strengthen the case management function, but it remains <i>average</i> . | 50 | 100 | 50 | 67 | В |
| Virginia | Virginia has an <i>average</i> degree of service integration at the state level, as alcohol and substance abuse and job training programs remain in a department separate from other human services. At the local level, integration is <i>average</i> . Some locations offer all services, others do not. For example, in some local departments there are on-site clinicians who handle mental health and substance abuse issues. In some places, these clients are referred elsewhere to receive services. Steps have been taken in Virginia to strengthen the case management function and it is <i>above average</i> . Each recipient has a dedicated caseworker. | 50 | 50 | 100 | 67 | В |
| Alabama | Alabama has an average degree of service integration at the state level. Food stamps | 90 | 0 | 100 | 50 | С |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|----------|--|----------------|-------|--------------------|----------------|-------|
| | (SNAP), TANF, and the JOBS program for TANF clients are administered by the Alabama Department of Human Resources. The Medicaid agency and Department of Mental Health, which administers alcohol and substance abuse programs, are separate agencies. All Department of Human Resources services are delivered by a county office with the exception of childcare center licensing, which is done through the state Child Care Services Division. At the local level, integration is <i>below average</i> . Welfare recipients must go to each of the three agencies (Department of Human Resources, Medicaid, and Department of Mental Health) in their county of residence to receive services. The case management function in Alabama is <i>above average</i> . TANF clients have one caseworker who will qualify or refer them to other programs for which they may qualify. Medicaid and SNAP qualification is done through the Department of Human Resources TANF caseworker. | | | | | |
| Arizona | Arizona has an average degree of service integration at the state level. The broad program areas included in the Arizona Department of Economic Security (DES) are: childcare assistance to help low-income parents become and remain employable; Adult Protective Services (APS) and a range of in-home supports for older Arizonans to help them remain independent; domestic violence and homeless shelters and supports; food and nutrition services, including the federal Supplemental Nutrition Assistance Program (SNAP); utility assistance; early intervention services for infants and toddlers with developmental delays; home- and community-based services for infants and toddlers with developmental delays; unemployment insurance; employment assistance, including vocational rehabilitation and job training; child support services; refugee resettlement services; financial support, including the TANF cash assistance program; and eligibility determination for much of the state's Medicaid program, the Arizona Health Care Cost Containment System. Mental health services, behavioral health services, and alcohol and substance abuse services are provided through the Arizona Department of Health Services, Division of Behavioral Health Services and its contracted Regional Behavioral Health Authority network of service providers. At the local level, integration is above average. Of the 51 DES family assistance local offices, 43 are co-located with at least one other DES service such as the childcare administration or Division of Development Disabilities. There are also family assistance local offices that co-locate with the Arizona Department of Child Safety. Additionally, Arbor Education & Training, the private vendor providing jobs program case management and employment services in Maricopa County, does not co-locates with family assistance local offices. The case management function in Arizona is below average, as each recipient is not assigned one caseworker. | 20 | 001 | 0 | 20 | O |
| Colorado | Colorado has an <i>average</i> degree of service integration at the state and local levels. It has a state-supervised, county-administered model that allows for "program flexibility" at the local level. Because there are many options, uniformity is lacking in the department and many TANF recipients must go to different locations to receive services. The case | 50 | 50 | 50 | 50 | O |

| State | Description management function in Colorado is average, as recipients are not assigned to one | State | Local | Case Management | Final Score | Grade |
|-----------|---|-------|-------|--------------------|----------------|-------|
| Georgia | Georgia has an <i>average</i> degree of service integration at the state level. Georgia has a statewide contract with the Department of Behavioral Health and Developmental Disabilities that addresses barriers such as alcohol and substance abuse treatment. Georgia also has a statewide contract for childcare and parent services. Services are not directed by one department. At the local level, service integration is <i>average</i> . Recipients must go to different offices for various services. The case management function in Georgia is <i>average</i> . TANF and social services case managers work together to coordinate services and to develop service and work plans, but each TANF recipient is not assigned to one caseworker. | 50 | 50 | 50 | 50 | O |
| Idaho | Idaho has an <i>average</i> degree of service integration at the state level. The Division of Welfare consists of childcare, food stamps, Medicaid, and TANF. While the department is undergoing a transformation to improve integration, it does not consist of all necessary services, such as alcohol and substance abuse treatment and transportation. At the local level, service integration is <i>average</i> . Clients must go to different locations to receive benefits and services. While Idaho has taken steps to improve its case management function, it remains <i>average</i> , as recipients are not assigned to one caseworker. | 50 | 50 | 50 | 50 | O |
| Illinois | Illinois has an <i>average</i> degree of service integration at the state and local level. Some offices are "one-stop shops" where several state and community agencies serving the same targeted population are housed under one roof. In other offices, especially in rural areas, not all services are available locally. The case management function in Illinois is <i>average</i> , as recipients are not assigned to one caseworker. | 50 | 50 | 50 | 50 | O O |
| Indiana | Indiana has an <i>average</i> degree of service integration at the state and local levels. If TANF recipients qualify for additional services, they must go to different departments at various locations. The case management function in Indiana is <i>average</i> . While the state's health and human services departments work to build relationships with service providers to enhance services, clients are not assigned to one caseworker. | 50 | 50 | 50 | 90 | O O |
| Louisiana | Louisiana has an <i>average</i> degree of service integration at the state and local levels. All services are not housed under one department or at one location. The case management function in Louisiana is <i>average</i> . The case manager uses information gathered during the family assessment to identify any need for referral to partner agencies for such services as education, mental health, substance abuse, or domestic violence. Should the recipient quality for those services, he or she is assigned to an additional caseworker through the partner agencies. | 50 | 50 | 50 | 50 | O |
| Maine | Maine has an <i>average</i> degree of service integration at the state and local levels. Many programs are managed under various offices or bureaus of the Department of Health and Human Services and at various locations across the state. While there have been efforts to | 50 | 50 | 50 | 50 | C |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|----------------|--|----------------|-------|--------------------|----------------|-------|
| | coordinate case managers among the Department of Health and Human Services, Department of Labor, and Department of Education, the case management function remains average. | | | | | |
| Michigan | Michigan has an <i>average</i> degree of service integration at the state level. Not all programs are housed under one department. At the local level, service integration is <i>average</i> . Once a TANF recipient attends and participates in the employment and training program, further benefits/services are provided to the client; however, many of those services must be accessed at different locations. The case management function in Michigan is <i>average</i> . While caseworkers can assist with food, daycare, medical assistance, emergency assistance, and transportation, it is unclear if each TANF recipient is assigned to one caseworker. | 50 | 50 | 50 | 50 | O |
| Mississippi | Mississippi has an <i>average</i> degree of service integration at the state level. Food stamps, TANF, and child support are housed in the Mississippi Department of Human Services (MDHS) Division of Field Operations. The Department of Mental Health includes alcohol/substance abuse treatment among its services. Job training and transportation services are scattered among multiple agencies. At the local level, service integration is <i>average</i> . Welfare recipients may go to county MDHS offices to apply for assistance for SNAP, TANF, and child support, but they must go to other agency offices to apply for additional services. The case management function in Mississippi is <i>average</i> . Each client has his or her own caseworker (eligibility worker, case manager, or both, depending on the number of services the client is receiving) at the county office level. Referrals for transportation, childcare, and job skills/job training are made by local case managers on behalf of TANF Work Program (TWP) clients. | 50 | 50 | 50 | 50 | O |
| New Mexico | New Mexico has an <i>above average</i> degree of service integration at the state level. Food stamps, TANF, Medicaid, job training, childcare, transportation, alcohol and substance abuse, and mental health services are fully integrated at the state level. At the local level, service integration is <i>average</i> . Recipients must go to different Income Support Division offices in each county to apply for services. The case management function in New Mexico is <i>below average</i> . New Mexico uses a "business process model," so instead of assigning individual caseworkers for each welfare recipient, the state's Human Service Department has employees available on a walk-in basis. | 100 | 50 | 0 | 50 | O |
| North Carolina | North Carolina has an <i>average</i> degree of service integration at the state level, but transportation services are in a department separate from other human services. At the local level, integration is <i>below average</i> . North Carolina is based on a state-supervised and county-administered model. As a result, some counties have a consolidated model where all services are available at a single location, but some do not. Steps have been taken in North Carolina to strengthen the case management function and it is <i>above average</i> . | 50 | 0 | 100 | 50 | C |
| North Dakota | North Dakota has an <i>average</i> degree of service integration at the state level, but the job training and transportation programs remain in a department separate from other human services. At the local level, integration is <i>below average</i> : Most other services are integrated | 90 | 0 | 100 | 50 | C |

| State | Description | State Level | Local Level | Case Management | Final Score | Grade |
|---------------|---|----------------|----------------|--------------------|----------------|-------|
| | but the connection to job training and placement is weak. Access to all the services with the exception of job training is available in only one region. Steps have been taken in North Dakota to strengthen the case management function and it is <i>above average</i> . | | | | | |
| Ohio | Ohio has an <i>average</i> degree of service integration at the state level; many essential programs remain in a department separate from other human services. At the local level, integration is <i>below average</i> . In Ohio, human services are administered by county agencies. In some counties, nearly all human services are coordinated by one agency. In other counties, human services are administered by multiple agencies. Steps have been taken in Ohio to strengthen the case management function and it is <i>above average</i> . | 50 | 0 | 100 | 50 | C |
| Oregon | Oregon has an average degree of service integration at the state and local levels. While many welfare offices in Oregon give recipients the opportunity to have orientations or opportunities to come into the office and meet with several partner agencies at one time, individual service offices do not offer all social/welfare services in one location. The case management function in Oregon is average. The state has begun to redesign the TANF program to include considerations for how resources from other partnerships can be leveraged and how the program ties in with statewide goals. | 50 | 50 | 50 | 50 | C |
| Vermont | Vermont has an <i>average</i> degree of service integration at the state level and local levels. Welfare recipients in Vermont are not able to get all of their needed services in one place. Generally welfare recipients must go to each social service agency separately. The case management function in Vermont is <i>average</i> , as many recipients have multiple caseworkers from each individual social service agency. | 50 | 50 | 50 | 50 | C |
| Washington | Washington has an <i>average</i> degree of service integration at the state level. Food assistance, TANF, and alcohol and substance abuse/mental health services are part of the Department of Social and Health Services. Medicaid, job training, transportation, and childcare are administered jointly by other departments. At the local level, integration is <i>average</i> . Steps have been taken to co-locate services at one location, but many recipients must go to different locations for welfare services. The case management function is <i>average</i> . Not all TANF recipients enrolled in the department's employment and training program (called WorkFirst) will have a dedicated case manager. | 50 | 50 | 50 | 50 | C |
| West Virginia | West Virginia has an <i>above average</i> degree of service integration at the state level. At the local level, service integration is <i>below average</i> . Assistance with childcare costs, obtaining child support or establishing paternity, child and adult protective services, assessment testing (including an emotional health inventory and learning needs screening) are all offered at the local county office. Additional services and resources needed to move the family towards self-sufficiency are handled in other offices. The case management function in West Virginia is <i>average</i> . TANF recipients may receive a referral for certain services and make arrangements with agencies to meet at the local office, but they do not have one caseworker. | 100 | 0 | 50 | 50 | ပ |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|-----------|---|----------------|-------|--------------------|----------------|-------|
| Florida | Florida has an <i>average</i> degree of service integration at the state level. The Department of Children and Families administers the cash assistance component of TANF and food assistance (SNAP) and determines Medicaid eligibility. There is a common application and eligibility process for these programs. The Department of Economic Opportunity administers through 24 regional workforce boards the TANF employment program, called the welfare transition program. The regional workforce boards provide transportation services for program participants and referral to local early learning coalitions for childcare services. The Department of Education's early learning coalitions provide childcare services. The Agency for Health Care Administration administers the Medicaid program, except for determining recipient eligibility. At the county level, integration is <i>below average</i> . Local regional workforce boards provide TANF employment services that, in most cases, are at different locations. The workforce boards arrange transportation and childcare services for TANF recipients engaged in employment activities. The case management function in Florida is <i>average</i> . Florida assigns a dedicated caseworker for TANF employment activities through the welfare transition program but does not assign a dedicated caseworker for temporary cash assistance. | 50 | 0 | 20 | 33 | O |
| Hawaii | Hawaii has an <i>average</i> degree of service integration at the state level. Food stamps, TANF, Medicaid, job training, and childcare are fully integrated into the Hawaii Department of Human Services (DHS). Alcohol and substance abuse programs are administered through the state Department of Health (DOH). DOH provides direct mental health services for individuals with serious mental illness. DHS administers mental health programs through its Medicaid managed care program. Medicaid clients with serious mental illness may elect to receive services through DOH or any paid provider. The integration at the county level is <i>below average</i> . Applicants for welfare assistance can apply for Medicaid through DHS Med-QUEST Division at any statewide Med-QUEST office. These services are not provided at a single location. The DHS administrative offices are located on the island of Oahu and oversee statewide services, including the public assistance processing centers on each island/county. The case management situation in Hawaii is <i>average</i> . TANF recipients who participate in the First-to-Work (FTW) program have case managers for employment-related services. Caseworkers have access to services that focus on vocational training and education. | 50 | 0 | 50 | 33 | O |
| Minnesota | Minnesota has an <i>average</i> degree of service integration at the state and local levels. It has a state-supervised, county-administered system. The level of integration depends on the county. Most counties provide eligibility and application and referral assistance for all services, even if the service itself is not provided in-house by the county. Job training typically happens through partners in the system of workforce centers. The case management function in Minnesota is <i>below average</i> , although increasing attention is being paid to the need to move to an integrated human services delivery model. Eligibility systems are legacy and not integrated. Some counties have created a more collaborative | 50 | 50 | 0 | 33 | O |

| State | Description model to better integrate services. | State Level | Local | Case Management | Final Score | Grade |
|----------------|--|----------------|-------|--------------------|----------------|-------|
| Nebraska | Nebraska has an <i>average</i> degree of service integration at the state level. Food stamps, TANF, and childcare share an integrated eligibility system, but alcohol and substance abuse programs remain in a department separate from other human services. At the local level, integration is <i>average</i> . Recipients of TANF receive SNAP, cash assistance, and the TANF work program through one eligibility system, but services are not provided at a single location. The case management situation in Nebraska is <i>below average</i> . Each TANF recipient has a dedicated employment case manager, but no dedicated staff person is assigned to case management or SNAP benefits. | 20 | 50 | 0 | 33 | U |
| New York | New York has an <i>average</i> degree of service integration at the state level, but alcohol and substance abuse programs remain in a department separate from other human services. At the local level, integration is <i>average</i> : Most services are integrated but the connection to job training and placement is weak. The case management function is <i>below average</i> , as recipients of public assistance are not assigned a dedicated caseworker in certain areas of the state. | 50 | 50 | 0 | 33 | O |
| South Carolina | South Carolina has a <i>below average</i> degree of service integration at the state level. Alcohol and substance abuse services, Medicaid, and mental health programs remain in a department separate from other human services. At the local level, integration is <i>below average</i> . Recipients must go to multiple offices to enroll in different programs. Steps have been taken to strengthen the case management function and it is <i>above average</i> . | 0 | 0 | 100 | 33 | C |
| Arkansas | Arkansas has a <i>below average</i> degree of service integration at the state level. Services are offered at the Department of Health Services (DHS) as well as the Department of Welfare Services (DWS). Social programs and eligibility are housed in DHS. Once participants are enrolled at the DHS office, they must visit the DWS office to get verification, assessment, and an employment plan along with being assigned to family support service programs. At the local level, service integration is <i>average</i> ; recipients must go to different offices to receive services. The case management function in Arkansas is <i>below average</i> . Recipients are not assigned to one caseworker and must go to different DHS and DWS staff for assistance. | 0 | 50 | 0 | 17 | D |
| Iowa | Iowa has an <i>average</i> degree of service integration at the state level. The Iowa Department of Human Services administers the Family Investment Program (FIP) (which includes TANF dollars), Medicaid, childcare assistance, child and adult protection, and child welfare services, and it has recently overseen the redesign of the state's mental health and disability system. Job training for FIP recipients is contracted through Iowa Workforce Development. Some transportation assistance is available through the Family Self Sufficiency Grant through Iowa Workforce Development. The Iowa Department of Human Services contracts with the Iowa Department of Human Services are not administered through the Iowa Department of Human Services. At the local level, | 50 | 0 | 0 | 17 | D |

| State | Description | State Level | Local | Case Management | Final Score | Grade |
|-----------|---|----------------|-------|--------------------|----------------|-------|
| | integration is <i>below average</i> . County offices can generally assist Iowans with applications, eligibility determination, and changes to assistance benefits for the above DHS-administered programs, as well as making referrals to other state and local agencies as needed, but these services are not delivered at one location. The case management function in Iowa is <i>below average</i> . Each recipient is not assigned one caseworker. | | | | | |
| Maryland | Maryland has a <i>below average</i> degree of service integration at the state level, as Medicaid, job training, childcare, transportation, mental health, and alcohol and substance abuse programs remain in a department separate from other human services. Maryland Department of Human Resource programs are delivered at the county level. At the local level, integration is <i>below average</i> . Services often are not available at one location, requiring referral to other departments and other offices. The case management function in Maryland is <i>average</i> . In some offices, case managers are not assigned to caseloads or specific customers. In others, case managers are assigned by program or by an alphabetical caseload assignment. Each client has a person who works with him or her at various stages while on TANF. The larger metro offices (Baltimore City, Prince George's County, etc.) have contracted vendors who work with individual clients in TANF work programs. | 0 | 0 | 50 | 17 | Q |
| Missouri | Missouri has a below average degree of service integration at the state and local levels. Agencies are contracted throughout the state and TANF recipients must go to each social service agency separately. Welfare recipients have various caseworkers at different agencies, making the case management function average. | 0 | 0 | 50 | 17 | Q |
| Oklahoma | Oklahoma has a <i>below average</i> degree of service integration at the state level, as alcohol and substance abuse, Medicaid, transportation, and mental health programs remain in a department separate from other human services. At the local level, integration is <i>below average</i> : Most other services are integrated, but connections to alcohol and substance abuse, mental health services, and transportation are weak. Steps have been taken to strengthen the case management function and it is <i>average</i> , but stronger connections with needed services are necessary. | 0 | 0 | 50 | 17 | Q |
| Tennessee | Tennessee has a <i>below average</i> degree of service integration at the state level, as access to alcohol and substance abuse, job training, and transportation programs are not housed under Tennessee's Department of Human Services and remain in a separate department than Tennessee Families First (TANF). At the local level, integration is <i>below average</i> . Tennessee DHS is "piloting a project that makes child support services available at the same location of Families First (TANF) and SNAP services." In local DHS offices, recipients have access to TANF, SNAP, and child care assistance. A "kiosk" is available for TennCare (Medicaid) applications. However, job training, alcohol/substance abuse services, and transportation are not available at any DHS local office. At the many local DHS county offices, only a select number of social programs to move citizens from dependency to self-sufficiency are available. The case management function in Tennessee is <i>average</i> . Families First (TANF) clients are assigned a "client representative" housed in | 0 | 0 | 20 | 17 | О |

| State | Description | State Level | Local Level | Case Management | Final Score | Grade |
|--------------|--|----------------|----------------|--------------------|----------------|-------|
| | the DHS offices. They also have a "third-party contractor" to provide "necessary training, diligence, and resources that a client will need to reach self-sufficiency." | | | | | |
| Wyoming | Wyoming has a <i>below average</i> degree of service integration at the state level; alcohol and substance abuse, Medicaid, job training, and transportation programs remain in a department separate from other human services. At the local level, integration is <i>below average</i> . Many services cannot be found at one location. The case management function is <i>average</i> . In all but one office in Wyoming a recipient has the same worker for SNAP and TANF. Childcare is centralized by region and Medicaid is administered by the Wyoming Department of Health. Many offices are co-located with the Department of Workforce Services and recipients are referred on a regular basis. TANF recipients also work with a case manager at the Department of Workforce Services. | 0 | 0 | 50 | 17 | D |
| Rhode Island | Rhode Island has a <i>below average</i> degree of service integration at the state level. Medicaid, alcohol and substance abuse, job training, and transportation programs remain in a department separate from other human services. At the local level, integration is <i>below average</i> : Most other services are integrated but the connection to job training and placement is weak. Recipients cannot receive all services at one location. The case management function in Rhode Island is <i>below average</i> . The Department of Human Services is undergoing a business process redesign. Currently, four of the five field offices operate where one caseworker is assigned to one client's application. With the business process redesign, teams are being created around a program or several programs and specific tasks associated with the eligibility determination process. | 0 | 0 | 0 | 0 | П |

Lifetime Eligibility Limits

PRWORA strongly encourages states to limit the lifetime eligibility of individuals and families for TANF benefits to 60 months (five years). The policy has various loopholes and has been implemented only loosely by many states, as a report from the Brookings Institution explained:

PRWORA requires that state TANF programs set a five-year lifetime limit for any individual receiving federally funded aid, although states may exempt up to 20 percent of their caseload from the limit. States may elect to set shorter time limits, and many have. However, any assistance provided to recipients beyond the five-year limit must be financed solely out of state funds. Three states (Michigan, New York, and Vermont) have effectively decided not to enforce the five-year limit. And many states (such as California) do not terminate but only reduce benefits when the time limit is reached.²¹

After the Brookings study was written, Michigan adopted a 48-month cap on benefits with numerous exceptions and "clock-stoppers."

The rationale for limiting lifetime eligibility for welfare benefits is that knowing welfare payments will end after a certain number of months creates a strong incentive to prepare for work and accept job opportunities when available. Many states have adopted policies permitting people to receive welfare for less than 60 months on the theory that five years

Knowing welfare payments will end after a certain number of months creates a strong incentive to prepare for work and accept job opportunities when available.

of dependence on welfare can ingrain habits and lifestyles that make it more difficult to achieve self-sufficiency.

Some states have adopted "stop the clock" provisions whereby time spent by TANF recipients working toward a GED, facing medical incapacities, or facing specific barriers to work doesn't count toward the five-year lifetime limit for receiving welfare. Michigan's welfare reform law, for example, stops the clock for a variety of reasons, including whenever the unemployment rate in the county a recipient lives in exceeds the state average by 25 percent.

This report grades all 50 states on their lifetime limit policies. Category 1 states have essentially no lifetime limit and receive 0 points and a grade of F. States with a 60-month lifetime limit, the minimum requirement, fall under Category 2 and receive 65 points and a grade of D. Category 3 states limit benefits to less than 60 months but more than 30 months and receive 75 points and a grade of C. States with a lifetime limit of less than 30 months rank in Category 4 and receive 90 points and a grade of B. Category 5 states receive a perfect score and a grade of A by limiting benefits to less than 30 months and ending assistance for the children of beneficiaries when the parent or guardians' lifetime limit is reached.

²¹ Hamning Fang and Michael P. Keane, "Assessing the Impact of Welfare Reform on Single Mothers," *Brookings Papers on Economic Activity* **1** (2004), http://www.ssc.wisc.edu/~scholz/Teaching_742/Fang-Keane.pdf.

Table 5 shows only three states – Arkansas, Connecticut, and Idaho – score a perfect 100 points by limiting benefits for individuals and their dependents to less than 30 months. Indiana is the sole Category 4 state, limiting lifetime benefits for individuals to 24 months but allowing benefits to continue for children. Eight states are in Category 3, 33 states are in Category 2, and five states are in Category 1.

| | Lifetir | Table 5 ne Limit on TANF I | Eligibility | , | |
|--------------|-------------------------------|--|-------------|----------|------------------|
| | | 2015 | | | |
| State | Lifetime Limit (months) | Benefits Continue to Children after Lifetime Limit | Points | Category | 2008 Category |
| Arkansas | 24 | NO | 100 | 5 | 5 |
| Connecticut | 21 | NO | 100 | 5 | 5 |
| Idaho | 24 | NO | 100 | 5 | 5 |
| Indiana | 24 | YES | 90 | 4 | 4 |
| Arizona | 36 | NO | 75 | 3 | 2 |
| California | 48 | YES | 75 | 3 | 2 |
| Delaware | 36 | NO | 75 | 3 | 3 |
| Florida | 48 | NO | 75 | 3 | 3 |
| Georgia | 48 | NO | 75 | 3 | 3 |
| Michigan | 48 | NO | 75 | 3 | 3 |
| Utah | 36 | NO | 75 | 3 | 3 |
| Rhode Island | 48 | NO | 75 | 3 | 2 |
| Alabama | 60 | NO | 65 | 2 | 2 |
| Alaska | 60 | NO | 65 | 2 | 2 |
| Colorado | 60 | NO | 65 | 2 | 2 |
| Hawaii | 60 | NO | 65 | 2 | 2 |
| Illinois | 60 | NO | 65 | 2 | 2 |
| Iowa | 60 | NO | 65 | 2 | 2 |
| Kansas | 60 | NO | 65 | 2 | 2 |
| Kentucky | 60 | NO | 65 | 2 | 2 |
| Louisiana | 60 | NO | 65 | 2 | 2 |
| Maryland | 60 | NO | 65 | 2 | 2 |
| Minnesota | 60 | NO | 65 | 2 | 2 |
| Mississippi | 60 | NO | 65 | 2 | 2 |
| Missouri | 60 | NO | 65 | 2 | 2 |
| Montana | 60 | NO | 65 | 2 | 2 |
| Nebraska | 60 | NO | 65 | 2 | 2 |
| Nevada | 60 | NO | 65 | 2 | 2 |
| Ohio | 60 | NO | 65 | 2 | 2 |

| | | 2015 | | | | | |
|----------------|-------------------------------|--|--------|----------|------------------|--|--|
| State | Lifetime Limit (months) | Benefits Continue to Children after Lifetime Limit | Points | Category | 2008 Category | | |
| Oklahoma | 60 | NO | 65 | 2 | 2 | | |
| Oregon | 60 | YES | 65 | 2 | 1 | | |
| Pennsylvania | 60 | NO | 65 | 2 | 2 | | |
| Tennessee | 60 | NO | 65 | 2 | 2 | | |
| Texas | 60 | NO | 65 | 2 | 2 | | |
| Virginia | 60 | NO | 65 | 2 | 2 | | |
| Wisconsin | 60 | NO | 65 | 2 | 2 | | |
| Wyoming | 60 | NO | 65 | 2 | 2 | | |
| North Carolina | 60 | NO | 65 | 2 | 2 | | |
| South Carolina | 60 | NO | 65 | 2 | 2 | | |
| South Dakota | 60 | NO | 65 | 2 | 2 | | |
| North Dakota | 60 | YES | 65 | 2 | 2 | | |
| New Hampshire | 60 | NO | 65 | 2 | 2 | | |
| New Jersey | 60 | NO | 65 | 2 | 2 | | |
| New Mexico | 60 | NO | 65 | 2 | 2 | | |
| West Virginia | 60 | NO | 65 | 2 | 2 | | |
| Maine | NO | N/A | 0 | 1 | 2 | | |
| Massachusetts | NO | N/A | 0 | 1 | 1 | | |
| Vermont | NO | N/A | 0 | 1 | 1 | | |
| Washington | NO | N/A | 0 | 1 | 2 | | |
| New York | NO | N/A | 0 | 1 | 1 | | |

U.S. Department of Health and Human Services, *Temporary Assistance for Needy Families Program*, Tenth Report to Congress, Table 12-J State Lifetime Time Limit Policies July 2011, pp. 98–9, document undated but posted online on December 12, 2013. http://www.acf.hhs.gov/programs/ofa/resource/tenth-report-to-congress, accessed 1/8/15.

Sanctions

Sanctions are meant to secure compliance by TANF recipients with work and other requirements for eligibility. Often they are penalties that take the form of reduced cash welfare payments for failure to meet work and other requirements. The cash payments are intended as a reward and support system for people who are actively trying to move from dependency to self-sufficiency, and the cash payments are reduced or eliminated if the recipient fails to do his or her part. The "T" in TANF means "temporary": The law is designed to help people in need but not create incentives to be idle.

Research shows this "carrot and stick" approach is a very important policy element. In "The Effect of Welfare Sanctions on TANF Exits and Employment," researchers Chi-Fang Wu, Maria Cancian, and Geoffrey Wallace found being sanctioned increases the likelihood of transition off

TANF cash assistance, and this effect increases with the duration of the sanction.²² State policymakers should focus on implementing sanctions effectively. Sanctions really matter.

State sanctions fall into three categories:²³

- Full family sanctioning: The entire TANF check is withheld at the first instance of nonperformance of required work or other activities.
- Graduated sanctioning. The full TANF check is withheld only after multiple infractions.
- Partial sanctioning. Only the adult portion of the TANF check is withheld, even after repeated infractions, enabling recipients to retain the bulk of their TANF benefits.

Strong sanctions encourage workforce participation and self-sufficiency directly, by giving noncompliant recipients little choice but to enter the workforce in order to receive aid, and also indirectly, by preparing people for the real-world consequences of their choices.

Strong sanctions encourage workforce participation and self-sufficiency directly and indirectly.

We graded all 50 states according to their penalties for first-time violations of state work requirements. Category 1 states have only partial sanctions and short-time minimum sanctions; they receive 40 points and a grade of F. States with partial economic

sanctions and longer minimum sanctions rank in Category 2 and receive 60 points and a grade of D. States with a full funding sanction for a short period of time fall in Category 3 and receive 80 points and a grade of C. Category 4 states have a full sanction for a longer period of time and gain a perfect score of 100 points and a grade of A.

Table 6 shows five states – Indiana, Louisiana, Michigan, Mississippi, and North Carolina – impose full sanctions of sufficient duration to qualify for Category 4, the highest score. Michigan and Mississippi had received our top score in the 2008 survey as well, while Indiana, Louisiana, and North Carolina all moved up from their 2008 Category 2 positions.

Twenty-six states are in Category 3, three are in Category 2 (all three were in Category 2 in our 2008 survey as well), and 16 states are in Category 1. Most of the Category 1 states were also there in the 2008 survey; only Alaska, which scored in Category 3 in our 2008 survey, is a newcomer to Category 1.

²³ Michael J. New, *Welfare Reform at 10: Analyzing Welfare Caseload Fluctuations, 1996–2002*, Heritage Foundation Center for Data Analysis Report #06-07, August 17, 2006.

²² Chi-Fang Wu, Maria Cancian, and Geoffrey Wallace, "The Effect of Welfare Sanctions on TANF Exits and Employment," *Children and Youth Services Review* **36** (2014): 1–14, https://ideas.repec.org/a/eee/cysrev/v36y2014icp1-14.html.

| ı | Table 6 Initial Sanctions for Noncompliance with Work Requirements | | | | | | | |
|----------------|--|---|--------|----------|------------------|--|--|--|
| _ | | 2015 | | | | | | |
| State | First: Partial or Full Sanction | First: Minimum Length of Sanction | Points | Category | 2008 Category | | | |
| Indiana | Full | 2 months | 100 | 4 | 2 | | | |
| Louisiana | Full | 3 months | 100 | 4 | 2 | | | |
| Michigan | Full | 3 months | 100 | 4 | 4 | | | |
| Mississippi | Full | 2 months | 100 | 4 | 4 | | | |
| North Carolina | Full | 3 months | 100 | 4 | 2 | | | |
| Colorado | Partial | 1-3 months | 60 | 3 | 2 | | | |
| Delaware | Full | Until compliance or 2 months; then increments to next sanction level. | 80 | 3 | 2 | | | |
| Florida | Full | Until compliance | 80 | 3 | 3 | | | |
| Hawaii | Full | Until compliance | 80 | 3 | 3 | | | |
| Idaho | Full | 1 month | 80 | 3 | 3 | | | |
| Illinois | Full | Until compliance | 80 | 3 | 3 | | | |
| Iowa | Partial/Full | Until compliance | 80 | 3 | 3 | | | |
| Kansas | Full | Until compliance | 80 | 3 | 3 | | | |
| Kentucky | Full | Until compliance | 80 | 3 | 1 | | | |
| Maryland | Full | Until compliance | 80 | 3 | 3 | | | |
| Montana | Full | 1 month | 80 | 3 | 1 | | | |
| Nebraska | Full | 1 month | 80 | 3 | 3 | | | |
| Nevada | Full | Until compliance | 80 | 3 | 3 | | | |
| North Dakota | Full | 1 month | 80 | 3 | 1 | | | |
| Ohio | Full | 1 month | 80 | 3 | 3 | | | |
| Oklahoma | Full | Until compliance | 80 | 3 | 3 | | | |
| Rhode Island | Full | Until compliance | 80 | 3 | 1 | | | |
| South Carolina | Full | 1 month | 80 | 3 | 3 | | | |
| South Dakota | Full | 1 month | 80 | 3 | 1 | | | |
| Tennessee | Full | Until compliance | 80 | 3 | 3 | | | |
| Texas | Full | 1 month | 80 | 3 | 1 | | | |
| Utah | Full | Until compliance | 80 | 3 | 1 | | | |
| Vermont | Full | Until compliance | 80 | 3 | 1 | | | |
| Virginia | Full | 1 month | 80 | 3 | 3 | | | |
| Wisconsin | Full | Until compliance | 80 | 3 | 1 | | | |
| Wyoming | Full | 1 month | 80 | 3 | 3 | | | |
| Connecticut | Partial | 3 months | 60 | 2 | 2 | | | |
| Georgia | Partial | Up to 3 months | 60 | 2 | 2 | | | |
| West Virginia | Partial | 3 months | 60 | 2 | 2 | | | |

| | 2015 | | | | | | |
|--------------------|--|----------------------|-----------------------|----------|------------------|--|--|
| State | First: Partial or First: Minimum Full Sanction Length of Sanction | | Points | Category | 2008 Category | | |
| Alabama | Partial/Full (varies) | 1 month | 40 | 1 | 1 | | |
| Alaska | Partial | 1 month | 40 | 1 | 3 | | |
| Arizona | Partial | 1 month | 40 | 1 | 1 | | |
| Arkansas | Partial | Until compliance | 40 | 1 | 1 | | |
| California | Partial | Until compliance | 40 | 1 | 1 | | |
| Maine | Partial | Until compliance | 40 | 1 | 1 | | |
| Massachusetts | Partial | Until compliance | 40 | 1 | 1 | | |
| Minnesota | Partial | 1 month | 40 | 1 | 1 | | |
| Missouri | Partial | Until compliance | 40 | 1 | 1 | | |
| New Hampshire | Partial | 1/2 month | 40 | 1 | 1 | | |
| New Jersey | Partial | 1 month | 40 | 1 | 1 | | |
| New Mexico | Partial | 1 month | 40 | 1 | 1 | | |
| New York | Partial | Until compliance | 40 | 1 | 1 | | |
| Oregon | Partial | Until compliance | Until compliance 40 1 | | 1 | | |
| Pennsylvania | Partial/Full (varies) ² | 30 days | 40 | 1 | 1 | | |
| Washington | Partial | Until compliance | 40 | 1 | 1 | | |
| Source: Emails and | d interviews with states, | April - August 2013. | | | | | |

7. Anti-Poverty Performance

Five anti-poverty performance measures were selected: percentage change in the number of people receiving TANF benefits, percentage change in poverty rate, work participation rate for TANF recipients, percentage change in unemployment rate, and percentage change in teenage birth rate.

Some observers will believe other indicators may be better measures of anti-poverty success than the five measured here, and reasonable people can debate the degree to which the leaders of state government can affect these measures. However, meetings with governors and leading state legislators confirm these five are important performance indicators that command policymakers' attention in a way needed to effect change. For example, a state's unemployment rate is affected by many forces beyond the control of state policymakers, but nearly all policymakers agree reducing unemployment is a top state government priority. Reducing unemployment creates a better climate for creating the entry-level jobs that are the realistic "first rung on the ladder of opportunity" for those needing to move from dependency to self-sufficiency.

Some policymakers who commented on the 2008 edition of this welfare reform report card suggested all policy outcomes should not be weighted equally, as we do here. But determining relative weights is subject to wide-ranging opinions and, more importantly, would not meaningfully alter the message of this report to state leaders. Even if outcomes were weighted

differently, the same states would tend to occupy the top rankings and the lagging states would not have their rankings materially changed.

It is within the power of state leadership to affect these performance outcomes meaningfully. This report is most valuable if it spurs action and if states compete on these measures. Identifying clearly which states are doing best and which are at the bottom provides the kind of focus needed for future progress.

The report card ranks performance on each measure on a scale of 1 to 50. After converting this scale into a 100-point score, the least effective state receives two points and the most effective state receives 100. Each state earns two fewer points than the state that ranks above it. For example,

Identifying clearly which states are doing best and which are at the bottom provides the kind of focus needed for future progress.

Louisiana had the greatest reduction in the percentage of TANF recipients between 1996 and 2013, earning the first rank and a perfect score of 100 points. Nevada, the worst-performing state in TANF recipient decline, ranks 50th and receives two points. This quantitative, forced ranking approach is a variation on the well-known "grading on the curve" system.

Decline in the Number of TANF Recipients

The first measured result of anti-poverty success is the percentage change in the number of persons receiving benefits under TANF. This is one of the most important measures of welfare reform success and also the outcome most immediately and directly affected by focused state government efforts. Properly done and in the majority of cases, reducing the rolls means welfare recipients are leaving for work. Even at the minimum wage, this is an important step forward.

A crucially important and often little understood element of the welfare-to-work process is the federal (and sometimes state) Earned Income Tax Credit (EITC). The EITC is a rebate/cash payment made to most workers that varies with the number of hours worked and family status. The EITC legislation grew out of testimony delivered to the U.S. Senate Finance Committee in 1972 by then-California Governor Ronald Reagan, who suggested the credit as a way of offsetting the Social Security payroll tax on the poor. It was later expanded by President Bill Clinton. Few people today recognize that the current minimum wage, plus the EITC, plus the Child Tax Credit equals or exceeds the poverty line for almost all full-time workers of all family combinations. For example:²⁴

■ For a single person working full-time with one child, the Earned Income Tax Credit for 2015 is \$3,359. The family would receive an additional \$1,000 from the Child Tax Credit. Adding \$15,080 income from full-time work at the minimum wage²⁵ equals total income for the year of \$19,439, well above the poverty level for 2014 for a single person with a child: \$15,930.

²⁴ The authors thank Heartland Institute Senior Fellow Peter Ferrara for this analysis.

 $^{^{25}}$ 52 weeks x 40 hours/week = 2,080 hours x \$7.25 = \$15,080.

■ For a single person working full-time with two children (the typical welfare recipient profile), the Earned Income Tax Credit for 2015 increases to \$5,548, and the Child Tax Credit to \$2,000. Adding \$15,080 from full-time work at the minimum wage totals \$22,628 in annual income, while the poverty level for 2015 for a single person with two children is \$20,090.

Examples for other family configurations also show the minimum wage combined with related benefits results in leaving poverty. An exception is a single person with no children, an omission addressed by the *Expanding Opportunity in America* discussion document put forward by Congressman Paul Ryan (R-WI).²⁶

Reducing TANF rolls also provides states with substantial extra funds to help people stay on the job. The PRWORA law is written to allow states to keep essentially the same level of funding despite reductions in the rolls, using the funding freed up for important supports such as childcare and transportation funding.

Data for this measure come from the U.S. Department of Health and Human Services Administration for Children and Families. Nationally, welfare rolls fell 73 percent from 1996 (when welfare reform was initiated) to June 2014. As shown in Table 7, the four most successful states – Louisiana, Wyoming, Illinois, and Georgia – reduced the number of TANF recipients by more than 90 percent. The national laggards include Nevada and Oregon, with reductions of 14 percent and 37 percent, respectively.

Indiana, the worst-performing state in our 2008 survey, made remarkable progress between 1996 and June 2014, moving from a ranking of 51st (because the District of Columbia was included in the 2008 survey) to 9th. Between 1996 and 2006, the state had reduced its TANF rolls by just 22 percent; by June 2014, it had reduced TANF rolls by 87 percent from 1996 levels. Between 2006 and June 2014 alone, Indiana reduced its TANF caseload by 83 percent, from 115,361 TANF recipients to 19,169.

| Table 7 Percentage Reduction in Number of TANF Recipients | | | | | | | | |
|---|----------------------|--------|-------------|-------------|------|--------|------|--|
| | # of TANF Recipients | | | | | | | |
| | | | # Reduction | % Reduction | 20 | 015 | 2008 | |
| State | 1996 | 2014 | (1996–2014) | (1996–2014) | Rank | Points | Rank | |
| Louisiana | 235,551 | 11,951 | 223,600 | -94.9% | 1 | 100 | 2 | |
| Wyoming | 12,839 | 699 | 12,140 | -94.6% | 2 | 98 | 1 | |
| Illinois | 655,396 | 44,989 | 610,407 | -93.1% | 3 | 96 | 4 | |
| Georgia | 352,607 | 28,412 | 324,195 | -91.9% | 4 | 94 | 6 | |
| North Carolina | 277,841 | 28,714 | 249,127 | -89.7% | 5 | 92 | 9 | |
| Texas | 684,020 | 75,741 | 608,279 | -88.9% | 6 | 90 | 13 | |

²⁶ Paul Ryan, chairman, House Budget Committee Majority Staff, *Expanding Opportunity in America*, July 24, 2014, http://budget.house.gov/uploadedfiles/expanding_opportunity_in_america.pdf.

| | | # of T | ANF Recipients | <u> </u> | | | |
|----------------|-----------|---------|-------------------------|-------------------------|------|--------|--------------|
| | | | | | | 015 | |
| State | 1996 | 2014 | # Reduction (1996–2014) | % Reduction (1996–2014) | Rank | Points | 2008 Rank |
| Michigan | 527,110 | 60,948 | 466,162 | -88.4% | 7 | 88 | 42 |
| Idaho | 22,926 | 2,857 | 20,069 | -87.5% | 8 | 86 | 3 |
| Indiana | 147,995 | 19,169 | 128,826 | -87.0% | 9 | 84 | 51 |
| Mississippi | 129,052 | 16,964 | 112,088 | -86.9% | 10 | 82 | 10 |
| Oklahoma | 104,845 | 15,179 | 89,666 | -85.5% | 11 | 80 | 8 |
| Florida | 560,561 | 83,755 | 476,806 | -85.1% | 12 | 78 | 5 |
| Arizona | 171,533 | 27,385 | 144,148 | -84.0% | 13 | 76 | 44 |
| Connecticut | 161,733 | 28,924 | 132,809 | -82.1% | 14 | 74 | 12 |
| West Virginia | 95,085 | 18,133 | 76,952 | -80.9% | 15 | 72 | 15 |
| South Carolina | 119,184 | 23,897 | 95,287 | -79.9% | 16 | 70 | 20 |
| Maine | 55,878 | 11,948 | 43,930 | -78.6% | 17 | 68 | 40 |
| Ohio | 545,918 | 118,759 | 427,159 | -78.2% | 18 | 66 | 21 |
| Arkansas | 58,166 | 12,681 | 45,485 | -78.2% | 19 | 64 | 22 |
| New York | 1,183,749 | 260,157 | 923,592 | -78.0% | 20 | 62 | 17 |
| Rhode Island | 58,397 | 12,964 | 45,433 | -77.8% | 21 | 60 | 28 |
| New Jersey | 288,486 | 64,947 | 223,539 | -77.5% | 22 | 58 | 25 |
| Kansas | 68,497 | 15,795 | 52,702 | -76.9% | 23 | 56 | 49 |
| Utah | 40,330 | 9,332 | 30,998 | -76.9% | 24 | 54 | 26 |
| North Dakota | 13,399 | 3,144 | 10,255 | -76.5% | 25 | 52 | 41 |
| Montana | 31,192 | 7,369 | 23,823 | -76.4% | 26 | 50 | 19 |
| Maryland | 204,105 | 49,796 | 154,309 | -75.6% | 27 | 48 | 11 |
| Vermont | 25,299 | 6,291 | 19,008 | -75.1% | 28 | 46 | 38 |
| Minnesota | 171,109 | 43,564 | 127,545 | -74.5% | 29 | 44 | 29 |
| Nebraska | 39,558 | 10,268 | 29,290 | -74.0% | 30 | 42 | 48 |
| New Hampshire | 24,200 | 6,372 | 17,828 | -73.7% | 31 | 40 | 47 |
| Missouri | 231,891 | 63,108 | 168,783 | -72.8% | 32 | 38 | 32 |
| Alaska | 36,192 | 9,902 | 26,290 | -72.6% | 33 | 36 | 16 |
| Pennsylvania | 543,502 | 170,944 | 372,558 | -68.5% | 34 | 34 | 35 |
| Kentucky | 174,882 | 55,933 | 118,949 | -68.0% | 35 | 32 | 30 |
| Massachusetts | 236,842 | 77,094 | 159,748 | -67.4% | 36 | 30 | 33 |
| Washington | 274,160 | 90,877 | 183,283 | -66.9% | 37 | 28 | 39 |
| Virginia | 161,928 | 54,314 | 107,614 | -66.5% | 38 | 26 | 7 |
| Iowa | 89,208 | 31,385 | 57,823 | -64.8% | 39 | 24 | 37 |
| Hawaii | 66,539 | 23,621 | 42,918 | -64.5% | 40 | 22 | 18 |
| New Mexico | 101,123 | 36,447 | 64,676 | -64.0% | 41 | 20 | 34 |
| Alabama | 105,204 | 38,044 | 67,160 | -63.8% | 42 | 18 | 36 |
| South Dakota | 16,282 | 6,099 | 10,183 | -62.5% | 43 | 16 | 27 |
| Wisconsin | 170,224 | 64,390 | 105,834 | -62.2% | 44 | 14 | 14 |
| Tennessee | 260,257 | 107,301 | 152,956 | -58.8% | 45 | 12 | 50 |
| Colorado | 98,525 | 44,167 | 54,358 | -55.2% | 46 | 10 | 24 |

| | | 3 | | | | | | | |
|---------------|------------|-----------|-------------|-------------|------|--------|--------------|--|--|
| | | | # Reduction | % Reduction | 20 | 2015 | | | |
| State | 1996 | 2014 | (1996–2014) | (1996–2014) | Rank | Points | 2008 Rank | | |
| California | 2,625,833 | 1,289,270 | 1,336,563 | -50.9% | 47 | 8 | 31 | | |
| Delaware | 23,367 | 13,042 | 10,325 | -44.2% | 48 | 6 | 45 | | |
| Oregon | 86,940 | 54,834 | 32,106 | -36.9% | 49 | 4 | 43 | | |
| Nevada | 37,561 | 32,219 | 5,342 | -14.2% | 50 | 2 | 23 | | |
| United States | 12,409,017 | 3,386,109 | 9,022,908 | -72.7% | - | - | | | |

Source: U.S. Department of Health and Human Services, Administration for Children and Families, "TANF: Total Number of Recipients Fiscal and Calendar Year." 2014 data are through June 2014, accessed 1/17/15 at https://www.acf.hhs.gov/sites/default/files/ofa/2014_recipient_tan.pdf. U.S. total excludes District of Columbia, Guam, Puerto Rico, and Virgin Islands.

Change in Poverty Rate

In 1996, opponents of PRWORA predicted many women, children, and minorities would fall deeper into poverty as a result of the reform.²⁷ That dire prediction proved incorrect, as the national poverty rate declined between 1996 and 2006.

The recession of 2008, however, reversed the downward trend. The national poverty rate increased 16.8 percent, from 13.7 percent in 1996 to 16.0 percent in 2013. Most states, but not all, saw an uptick in poverty rates since 2006.

State governments can reduce poverty by adopting sound policies, five of which are discussed in this report. In addition, state and local policymakers have important influence on schools, job creation, crime prevention, and other factors that affect poverty rates. To say government programs cannot be held accountable for moving or not moving people from dependency to self-sufficiency because there are other factors at work is to omit a major piece of the puzzle.

The U.S. Census Bureau provides poverty data organized by state and year. This study uses the Bureau's Small Area Income & Poverty Estimates (SAIPE) data.²⁸ Data from 2007 through 2013 are from the Kids Count Data Center, a project of the Annie E. Casey Foundation.²⁹

SAIPE data estimate a poverty rate higher than the rate officially reported, and considerably higher than estimates that include in-kind benefits (e.g., food stamps, housing, earned income tax

²⁷ See, for example, Children's Defense Fund, "How the Welfare Bill Profoundly Harms Children," July 31, 1996; Center on Budget and Policy Priorities, "Urban Institute Study Confirms that Welfare Bills Would Increase Child Poverty," *Priorities*, July 26, 1996.

²⁸ U.S. Census Bureau, Small Area Income & Poverty Estimates, http://www.census.gov/hhes/www/saipe/, accessed 5/31/13. Figure is from All Ages in Poverty column.

²⁹ Annie E. Casey Foundation, Kids Count Data Center, datacenter.kidscount.org/data/tables/52-population-in-poverty, accessed 1/7/15.

credit (EITC)) and unreported sources of income.³⁰ Researchers have estimated as much as 19 percent of income is unreported to the IRS.³¹ Using SAIPE data means there is little risk that we are failing to include people living near poverty and also allows comparisons over time.

Table 8 shows seven states – Alaska, Hawaii, Louisiana, New York, Oklahoma, West Virginia, and Wyoming – were able to reduce their poverty rates since 1996, even in the face of the 2008 recession. Alaska, ranked 28th in our 2008 report³², moved up to 1st in this 2015 report. Indiana, Nevada, New Hampshire, North Carolina, and Wisconsin all reported increases in poverty of 40 percent or more. Indiana, ranked last in the 2008 survey, remains in last place in this survey, with a 72 percent increase in poverty rates between 1996 and 2013.

| | Table 8 Change in Poverty Rate | | | | | | | | |
|---------------|-----------------------------------|--------------|-------------|------|--------|------|--|--|--|
| | Poverty Rate | Poverty Rate | Change | 2015 | | 2008 | | | |
| State | 1996 | 2013 | (1996–2013) | Rank | Points | Rank | | | |
| Alaska | 10.6 | 9 | -15.1 | 1 | 50 | 28 | | | |
| West Virginia | 19.9 | 18 | -9.5 | 2 | 49 | 6 | | | |
| Hawaii | 11.7 | 11 | -6.0 | 3 | 48 | 2 | | | |
| Louisiana | 20.7 | 20 | -3.4 | 4 | 47 | 12 | | | |
| New York | 16.3 | 16 | -1.8 | 5 | 46 | 7 | | | |
| Wyoming | 11.1 | 11 | -0.9 | 6 | 45 | 5 | | | |
| Oklahoma | 17.1 | 17 | -0.6 | 7 | 44 | 23 | | | |
| California | 16.7 | 17 | 1.8 | 8 | 43 | 1 | | | |
| Texas | 17.5 | 18 | 2.9 | 9 | 42 | 17 | | | |
| Maryland | 9.7 | 10 | 3.1 | 10 | 41 | 3 | | | |
| North Dakota | 11.5 | 12 | 4.3 | 11 | 40 | 21 | | | |
| Virginia | 11.5 | 12 | 4.3 | 11 | 40 | 4 | | | |
| New Mexico | 20.6 | 22 | 6.8 | 13 | 38 | 10 | | | |
| South Dakota | 13.0 | 14 | 7.7 | 14 | 37 | 30 | | | |
| Kentucky | 17.5 | 19 | 8.6 | 15 | 36 | 19 | | | |
| Vermont | 11.0 | 12 | 9.1 | 16 | 35 | 14 | | | |
| Montana | 15.1 | 17 | 12.6 | 17 | 34 | 11 | | | |

³⁰ See Robert Rector, "How 'Poor' Are America's Poor?" *Backgrounder,* The Heritage Foundation, September 1990.

³¹ Richard Cebula and Edgar L. Feige, "America's Underground Economy: Measuring the Size, Growth and Determinants of Income Tax Evasion in the U.S.," Munich Personal RePEc Archive, *MPRA Paper* No. 29672, January 2011, http://mpra.ub.uni-muenchen.de/29672/1/MPRA_paper_29672.pdf.

³² We changed our methodology between 2008 and 2015. In 2008, we had calculated the change as a *percentage point* change and ranked states accordingly. A better measure is *percentage change*. We recalculated our rankings for 2008 based on that new measure, so the 2008 rank shown here is *not* the rank that appeared in the 2008 report but is directly comparable to the 2015 rank.

| | Poverty Rate | Poverty Rate | Change | 20 | 015 | 2008 |
|----------------|--------------|--------------|-------------|------|--------|------|
| State | 1996 | 2013 | (1996–2013) | Rank | Points | Rank |
| Arkansas | 17.6 | 20 | 13.6 | 18 | 33 | 20 |
| Alabama | 16.7 | 19 | 13.8 | 19 | 32 | 22 |
| Mississippi | 20.8 | 24 | 15.4 | 20 | 31 | 25 |
| Arizona | 16.3 | 19 | 16.6 | 21 | 30 | 7 |
| Maine | 12.0 | 14 | 16.7 | 22 | 29 | 34 |
| Rhode Island | 11.8 | 14 | 18.6 | 23 | 28 | 15 |
| Florida | 14.2 | 17 | 19.7 | 24 | 27 | 9 |
| Tennessee | 14.8 | 18 | 21.6 | 25 | 26 | 37 |
| Pennsylvania | 11.5 | 14 | 21.7 | 26 | 25 | 31 |
| Washington | 11.5 | 14 | 21.7 | 26 | 25 | 27 |
| Connecticut | 9.0 | 11 | 22.2 | 28 | 23 | 13 |
| New Jersey | 9.0 | 11 | 22.2 | 28 | 23 | 18 |
| Delaware | 9.8 | 12 | 22.4 | 30 | 21 | 41 |
| Massachusetts | 9.8 | 12 | 22.4 | 30 | 21 | 24 |
| Colorado | 10.5 | 13 | 23.8 | 32 | 19 | 43 |
| Georgia | 15.3 | 19 | 24.2 | 33 | 18 | 16 |
| Minnesota | 8.8 | 11 | 25.0 | 34 | 17 | 39 |
| Illinois | 12.0 | 15 | 25.0 | 35 | 16 | 26 |
| South Carolina | 15.2 | 19 | 25.0 | 36 | 15 | 29 |
| Missouri | 12.6 | 16 | 27.0 | 37 | 14 | 35 |
| Kansas | 10.8 | 14 | 29.6 | 38 | 13 | 44 |
| Idaho | 11.9 | 16 | 34.5 | 39 | 12 | 32 |
| Ohio | 11.7 | 16 | 36.8 | 40 | 11 | 42 |
| lowa | 9.5 | 13 | 36.8 | 41 | 10 | 46 |
| Oregon | 12.3 | 17 | 38.2 | 42 | 9 | 36 |
| Nebraska | 9.4 | 13 | 38.3 | 43 | 8 | 47 |
| Utah | 9.4 | 13 | 38.3 | 43 | 8 | 40 |
| Michigan | 12.2 | 17 | 39.3 | 45 | 6 | 38 |
| North Carolina | 12.8 | 18 | 40.6 | 46 | 5 | 45 |
| New Hampshire | 6.3 | 9 | 42.9 | 47 | 4 | 49 |
| Wisconsin | 8.7 | 14 | 60.9 | 48 | 3 | 48 |
| Nevada | 9.6 | 16 | 66.7 | 49 | 2 | 33 |
| Indiana | 9.3 | 16 | 72.0 | 50 | 1 | 50 |
| United States | 13.7 | 16 | 16.8 | - | - | - |
| | • | | | - | - | |

Source: U.S. Census Bureau, Small Area Income & Poverty Estimates, http://www.census.gov/hhes/www/saipe/, accessed 5/31/13. Figure is from All Ages in Poverty column. Data for 2007–13 are from Annie E. Casey Foundation, Kids Count Data Center, datacenter.kidscount.org/data/tables/52-population-in-poverty, accessed 1/7/15.

TANF Workforce Participation Rate

The TANF program generally requires work participation from every recipient, although the program allows many exceptions. TANF recipients can qualify as "working" in several ways, including subsidized or unsubsidized employment, on-the-job training, community service, vocational training, or providing childcare services for someone who does community service.

Workforce participation by recipients is an essential measure of anti-poverty success. If TANF recipients are not working, they are not acquiring the skills and habits that will enable them to eventually leave the welfare program and become independent. A low workforce participation rate leads to a low rate of decline in the number of TANF recipients.

Working even in entry-level positions is the most reliable way for people to begin the move toward a better quality of life. Ron Haskins, a senior fellow with the Brookings Institution and an author of the 1996 welfare reform legislation, reported in May 2007 that families with children whose income placed them in the bottom fifth of all families in the

If TANF recipients are not working, they are not acquiring the skills and habits that will enable them to eventually leave the welfare program and become independent.

United States "enjoyed a larger percentage increase in income from 1991 to 2005 than all other groups except the top fifth ... because they worked longer and earned more money in 2005 than in 1991 – not because they received higher welfare payments. In fact, their earnings increased more in percentage terms than incomes of any of the other groups."³³

Haskins goes on to write, "Low-income families with children increased their work effort, many of them in response to the 1996 welfare reform law that was designed to produce exactly this effect. These families not only increased their earnings but also slashed their dependency on cash welfare. In 1991, more than 30 percent of their income was from cash welfare payments; by 2005, it was 4 percent. Earnings up, welfare down – that's the definition of reducing welfare dependency in America."³⁴

The numerous exceptions to the federal work requirement allow states generous leeway in putting welfare recipients to work, resulting in a wide range of work participation rates among the states. Federal TANF rules implemented in October 2006 generally increased required work participation rates and narrowed the allowed alternatives to work. However, states are permitted to create State Supplemental Programs (SSPs) and move especially difficult cases into these state-supported programs. This reduces the denominator of the work participation percentage calculations, helping some states in their efforts to meet federal work participation requirements. It is difficult to adjust for these differences. Since work participation is at the heart

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³³ Ron Haskins, "The Rise of the Bottom Fifth: How to Build on the Gains of Welfare Reform," *The Washington Post*, May 29, 2007.

³⁴ Ibid.

³⁵ Sheri Steisel and Jack Tweedie, "TANF Rules Tough on States," State Legislatures, March 2006.

of efforts to help people break out of poverty, the authors include this variable despite concerns over the accuracy of the measurement.

The U.S. Department of Health and Human Services Office of Family Assistance provided the data on work participation rates, organized by state and year. The most recent data available are for 2011, published on the HHS/OFA website in April 2014.³⁶

As shown in Table 9, Georgia, Mississippi, North Dakota, and Wyoming recorded the highest workforce participation rates for TANF recipients in 2011, each with rates greater than 65 percent. The national average was 29.5 percent.

The poorest performing states were Massachusetts, Missouri, Oregon, Rhode Island, and Washington, with rates at 15 percent or below. Massachusetts, 2008's last-ranked state, remained there in this year's survey. In our 2008 survey, just 13.6 percent of the state's TANF recipients were participating in the workforce; in this 2015 survey (reporting 2011 data), just 7.3 percent of the state's TANF population is participating in the workforce.

The dramatic spread between the top four states, all of which achieved more than 65 percent work participation, and the bottom five states, all of which are at or below 15 percent work participation, is not a result of disparate economic conditions among the states. Rather, this is powerful evidence that some states have successfully implemented policies aimed at moving welfare recipients from dependency to self-sufficiency and some have not.

New Hampshire showed the greatest improvement on this measure, moving from 44th in 2008 to 12th. The most dramatic falls were experienced by Kansas, which fell from 2nd in 2008 to 36th in 2011; Ohio, which fell from 7th to 38th; and Tennessee, which fell from 6th to 37th.

| Table 9 TANF Workforce Participation Rate | | | | | | | |
|---|----------------------|------|--------|--------------|--|--|--|
| | 0/ Manhina | 20 | 015 | 2000 | | | |
| State | % Working in 2011 | Rank | Points | 2008 Rank | | | |
| Wyoming | 68.70% | 1 | 100 | 2 | | | |
| North Dakota | 67.60% | 2 | 98 | 10 | | | |
| Georgia | 66.00% | 3 | 96 | 4 | | | |
| Mississippi | 65.10% | 4 | 94 | 28 | | | |
| Connecticut | 59.20% | 5 | 92 | 32 | | | |
| South Dakota | 56.70% | 6 | 90 | 5 | | | |
| Kentucky | 52.50% | 7 | 88 | 14 | | | |
| Nebraska | 51.90% | 8 | 86 | 31 | | | |
| Idaho | 51.60% | 9 | 84 | 16 | | | |

³⁶ U.S. Department of Health and Human Services, Office of Family Assistance, "Work Participation Rates - Fiscal Year 2009", http://www.acf.hhs.gov/sites/default/files/ofa/wpr2009_20101216_final.xls Accessed 1/07/15.

| | .,,,, | 20 | 015 | | |
|----------------|-------------------|------|--------|--------------|--|
| State | % Working in 2011 | Rank | Points | 2008 Rank | |
| Hawaii | 51.20% | 10 | 82 | 25 | |
| North Carolina | 49.50% | 11 | 80 | 30 | |
| New Hampshire | 49.20% | 12 | 78 | 44 | |
| Montana | 49.00% | 13 | 76 | 1 | |
| Florida | 44.80% | 14 | 74 | 21 | |
| Illinois | 44.10% | 15 | 72 | 9 | |
| Virginia | 44.00% | 16 | 70 | 8 | |
| Minnesota | 43.90% | 17 | 68 | 33 | |
| Maryland | 43.60% | 18 | 66 | 15 | |
| New Mexico | 42.00% | 19 | 64 | 18 | |
| Alabama | 40.60% | 20 | 62 | 20 | |
| Vermont | 40.50% | 21 | 60 | 45 | |
| Texas | 39.40% | 22 | 58 | 19 | |
| Pennsylvania | 39.30% | 23 | 56 | 41 | |
| Delaware | 39.00% | 24 | 54 | 42 | |
| Alaska | 38.50% | 25 | 52 | 13 | |
| Nevada | 37.80% | 26 | 50 | 12 | |
| Iowa | 37.60% | 27 | 48 | 22 | |
| Wisconsin | 37.60% | 27 | 48 | 26 | |
| South Carolina | 37.30% | 29 | 44 | 11 | |
| Arkansas | 36.10% | 30 | 42 | 37 | |
| New York | 33.80% | 31 | 40 | 24 | |
| Arizona | 33.50% | 32 | 38 | 35 | |
| West Virginia | 32.90% | 33 | 36 | 40 | |
| Colorado | 32.10% | 34 | 34 | 34 | |
| California | 27.80% | 35 | 32 | 45 | |
| Kansas | 27.60% | 36 | 30 | 2 | |
| Tennessee | 27.40% | 37 | 28 | 6 | |
| Ohio | 27.30% | 38 | 26 | 7 | |
| Michigan | 26.60% | 39 | 24 | 47 | |
| Utah | 26.30% | 40 | 22 | 17 | |
| Louisiana | 25.30% | 41 | 20 | 23 | |
| Oklahoma | 24.90% | 42 | 18 | 29 | |
| Indiana | 19.50% | 43 | 16 | 38 | |
| Maine | 19.10% | 44 | 14 | 39 | |
| New Jersey | 17.50% | 45 | 12 | 36 | |
| Washington | 15.00% | 46 | 10 | 27 | |
| Missouri | 14.40% | 47 | 8 | 48 | |
| Oregon | 14.10% | 48 | 6 | 50 | |

| | % Working | 2015 Rank Points | | 2008 |
|---------------|-----------|------------------|---|------|
| State | in 2011 | | | Rank |
| Rhode Island | 11.00% | 49 | 4 | 43 |
| Massachusetts | 7.30% | 50 | 2 | 51 |
| United States | 29.50% | - | - | |

Source: U.S. Department of Health and Human Services, Office of Family Assistance, "Work Participation Rates - Fiscal Year 2009",

http://www.acf.hhs.gov/sites/default/files/ofa/wpr2009_20101216_final.xls Accessed 1/07/15. Source for 2010 and 2011 data: ACF/OFA: 03-13-2013 Table 1C, http://www.acf.hhs.gov/sites/default/files/ofa/wpr2011tab01c.pdf, accessed 1/07/15.

Change in State Unemployment Rate

Finding employment in the private sector is the most reliable and common way for individuals to escape poverty. With the assistance of job training, placement support, and other services, most welfare recipients can qualify for entry-level jobs. There are, of course, exceptions for the physically and mentally disabled, but they qualify for Supplemental Security Income (SSI) and often can qualify for appropriate special work activities.

State governments vary widely in their success at reducing unemployment in their states. We include change in unemployment rates as a measure of the success of anti-poverty efforts because job availability can be a big factor in helping people leave poverty.

State governments have significant influence over the unemployment rate. Governors and other officials usually run for office on a platform that includes job creation ideas and policies. States with onerous taxation policies and burdensome employer regulations do not attract new businesses and can force existing businesses to scale back operations or even move out of state.³⁷ This, in turn, affects job availability in the state.

This report card uses the change in unemployment rate between 1997 and November 2014.³⁸ The recession of 2008 hit all states hard, but 10 states recovered well, seeing a decline in their unemployment rates between 1997 and November 2014. As a whole, the U.S. unemployment rate increased by 18.4 percent. Table 10 shows Hawaii, Idaho, and Montana saw their unemployment rates fall by more than 15 percent. Delaware, Georgia, Indiana, Michigan, Nevada, and South Carolina saw their unemployment rates increase by more than 50 percent.

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³⁷ See J. Scott Moody, "Higher Taxes Lower Economic Performance," *Maine Issue Brief*, Maine Heritage Policy Center, September 19, 2006; Daniel J. Mitchell, "The Impact of Government Spending on Economic Growth," *Backgrounder*, The Heritage Foundation, March 31, 2005; and Richard K. Vedder, "The Impact of State and Local Taxes on Economic Growth: What the Research Shows," Commonwealth Foundation for Public Policy Alternatives, May 1990.

³⁸ U.S. Department of Labor, Bureau of Labor Statistics, "Local Area Employment Statistics," http://www.bls.gov/web/laus/laumstrk.htm, figures for 2014 are preliminary through November 2014. Accessed 1/7/15.

The most-improved states from our 2008 survey³⁹ were North Dakota (from 36th to 8th), Ohio (from 41st to 15th), Minnesota (from 42nd to 19th), and Kansas (from 39th to 16th). The most precipitous declines in rank were experienced by Arizona (from 15th to 42nd), Alabama (from 13th to 39th), Virginia (from 11th to 37th), and Delaware (from 22nd to 47th). Our worst-ranked state in 2008, Michigan, moved up two places, to 48th place, ahead of Georgia and Indiana.

| Table 10 Change in Unemployment Rates | | | | | | | |
|--|------|------|-------------|------|--------|------|--|
| | 1 | | ment Rate | | | | |
| | | | Change | 20 |)15 | 2008 | |
| State | 1997 | 2014 | (1997–2014) | Rank | Points | Rank | |
| Hawaii | 5.8 | 4.0 | -31.0 | 1 | 100 | 1 | |
| Idaho | 5.1 | 3.9 | -23.5 | 2 | 98 | 5 | |
| Montana | 5.3 | 4.3 | -18.9 | 3 | 96 | 2 | |
| Texas | 5.4 | 4.9 | -9.3 | 4 | 94 | 20 | |
| New York | 6.5 | 5.9 | -9.2 | 5 | 92 | 7 | |
| West Virginia | 6.8 | 6.3 | -7.4 | 6 | 90 | 9 | |
| Alaska | 7.1 | 6.6 | -7.0 | 7 | 88 | 25 | |
| North Dakota | 2.9 | 2.7 | -6.9 | 8 | 86 | 36 | |
| Wyoming | 4.8 | 4.5 | -6.3 | 9 | 84 | 5 | |
| New Mexico | 6.6 | 6.4 | -3.0 | 10 | 82 | 3 | |
| Pennsylvania | 5.1 | 5.1 | 0.0 | 11 | 80 | 21 | |
| Oklahoma | 4.2 | 4.4 | 4.8 | 12 | 78 | 26 | |
| South Dakota | 3.1 | 3.3 | 6.5 | 13 | 76 | 32 | |
| Vermont | 4.0 | 4.3 | 7.5 | 14 | 74 | 17 | |
| Ohio | 4.6 | 5.0 | 8.7 | 15 | 72 | 41 | |
| Kansas | 3.9 | 4.3 | 10.3 | 16 | 70 | 39 | |
| Kentucky | 5.4 | 6.0 | 11.1 | 17 | 68 | 34 | |
| Maine | 5.1 | 5.7 | 11.8 | 18 | 66 | 18 | |
| Minnesota | 3.3 | 3.7 | 12.1 | 19 | 64 | 42 | |
| California | 6.4 | 7.2 | 12.5 | 20 | 62 | 10 | |
| Utah | 3.2 | 3.6 | 12.5 | 20 | 62 | 19 | |
| Arkansas | 5.1 | 5.8 | 13.7 | 22 | 58 | 33 | |
| Louisiana | 5.7 | 6.5 | 14.0 | 23 | 56 | 8 | |
| Florida | 5.0 | 5.8 | 16.0 | 24 | 54 | 4 | |
| Maryland | 4.8 | 5.6 | 16.7 | 25 | 52 | 12 | |
| Colorado | 3.4 | 4.1 | 20.6 | 26 | 50 | 46 | |
| New Jersey | 5.3 | 6.4 | 20.8 | 27 | 48 | 14 | |
| Mississippi | 6.0 | 7.3 | 21.7 | 28 | 46 | 38 | |
| Oregon | 5.6 | 7.0 | 25.0 | 29 | 44 | 27 | |
| Washington | 4.9 | 6.2 | 26.5 | 30 | 42 | 30 | |

³⁹ Supra note 32.

| | U | nemploy | ment Rate | | | | |
|----------------|------|---------|-------------|------|--------|--------------|--|
| | | | Change | 20 | 15 | 2008 Rank | |
| State | 1997 | 2014 | (1997–2014) | Rank | Points | | |
| Tennessee | 5.3 | 6.8 | 28.3 | 31 | 40 | 29 | |
| Nebraska | 2.4 | 3.1 | 29.2 | 32 | 38 | 45 | |
| Missouri | 4.3 | 5.6 | 30.2 | 33 | 36 | 37 | |
| New Hampshire | 3.1 | 4.1 | 32.3 | 34 | 34 | 35 | |
| Illinois | 4.8 | 6.4 | 33.3 | 35 | 32 | 24 | |
| Iowa | 3.2 | 4.3 | 34.4 | 36 | 30 | 40 | |
| Virginia | 3.7 | 5.0 | 35.1 | 37 | 28 | 11 | |
| Connecticut | 4.8 | 6.5 | 35.4 | 38 | 26 | 16 | |
| Alabama | 4.4 | 6.0 | 36.4 | 39 | 24 | 13 | |
| Rhode Island | 5.2 | 7.1 | 36.5 | 40 | 22 | 28 | |
| Massachusetts | 4.1 | 5.8 | 41.5 | 41 | 20 | 43 | |
| Arizona | 4.6 | 6.8 | 47.8 | 42 | 18 | 15 | |
| Wisconsin | 3.5 | 5.2 | 48.6 | 43 | 16 | 47 | |
| North Carolina | 3.9 | 5.8 | 48.7 | 44 | 14 | 44 | |
| South Carolina | 4.4 | 6.7 | 52.3 | 45 | 12 | 48 | |
| Nevada | 4.5 | 6.9 | 53.3 | 46 | 10 | 23 | |
| Delaware | 3.9 | 6.0 | 53.8 | 47 | 8 | 22 | |
| Michigan | 4.3 | 6.7 | 55.8 | 48 | 6 | 50 | |
| Georgia | 4.5 | 7.2 | 60.0 | 49 | 4 | 31 | |
| Indiana | 3.3 | 5.7 | 72.7 | 50 | 2 | 49 | |
| United States | 4.9 | 5.8 | 18.4 | | | | |

Source: U.S. Department of Labor, Bureau of Labor Statistics, "Local Area Employment Statistics," Unemployment Rates for States, http://www.bls.gov/web/laus/laumstrk.htm, accessed 1/07/15.

Change in Teenage Birth Rate

A major step in promoting self-sufficiency in welfare recipients is reducing the teenage birth rate. Teenage motherhood and out-of-wedlock births are major factors in adding to welfare enrollment. Research has shown daughters from families that receive welfare are 2.5 times more likely to give birth as teenagers and three times more likely to receive welfare benefits themselves.⁴⁰

PRWORA gave states the option to use TANF funding for educational efforts and other steps to reduce teenage pregnancy. Nationally, the overall teenage birth rate in the U.S. fell 45 percent between 1996 and 2012⁴¹, and teenage birth rates for young African-American women even

⁴⁰ Molly A. Martin, "The Role of Family Income in the Intergenerational Association of AFDC Receipt," *Journal of Marriage and Family* **65** (May 2003): 326–40.

⁴¹ Supra note 32.

more.⁴² The result is some advantage in the rankings for those states with the largest African-American populations. Data for teenage birth rates by state come from the Centers for Disease Control.⁴³

As shown by Table 11, 11 states – California, Connecticut, Delaware, Florida, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, and Oregon, – saw their teen birth rates fall by more than 50 percent between 1996 and 2012. Four states – North Dakota, South Dakota, West Virginia, and Wyoming – saw their teen birth rates fall by less than 25 percent. Delaware was the most-improved state, ranking 35th in 2008 and 4th in the current survey, followed by Colorado (from 38th to 12th) and Arizona (from 33rd to 19th). Alaska, whose rank fell from 14th in 2008 to 42nd, experienced the most precipitous decline in rank, followed by Louisiana (from 15th to 39th) and Vermont (from 1st to 20th).

| Table 11 Change in Teenage Birth Rate | | | | | | | |
|--|------|---------|-------------|------|--------|------|--|
| | Te | enage l | Birth Rate | | | | |
| | | | Change | 2015 | | 2008 | |
| State | 1996 | 2012 | (1996–2012) | Rank | Points | Rank | |
| Connecticut | 36.6 | 15.1 | -58.7 | 1 | 100 | 4 | |
| California | 61 | 26.5 | -56.6 | 2 | 98 | 3 | |
| Massachusetts | 31.1 | 14.1 | -54.7 | 3 | 96 | 12 | |
| Delaware | 53.8 | 25 | -53.5 | 4 | 94 | 35 | |
| Oregon | 50.5 | 23.8 | -52.9 | 5 | 92 | 5 | |
| New Jersey | 35.2 | 16.7 | -52.6 | 6 | 90 | 7 | |
| Nevada | 69.5 | 33.4 | -51.9 | 7 | 88 | 13 | |
| Maryland | 45.7 | 22.1 | -51.6 | 8 | 86 | 9 | |
| New Hampshire | 28.2 | 13.8 | -51.1 | 9 | 84 | 2 | |
| Florida | 57.2 | 28 | -51.0 | 10 | 82 | 17 | |
| New York | 39.9 | 19.7 | -50.6 | 11 | 80 | 6 | |
| Colorado | 50.7 | 25.4 | -49.9 | 12 | 78 | 38 | |
| Virginia | 45.4 | 22.9 | -49.6 | 13 | 76 | 19 | |
| Illinois | 55.3 | 27.9 | -49.5 | 14 | 74 | 10 | |
| Georgia | 66.8 | 33.8 | -49.4 | 15 | 72 | 24 | |
| North Carolina | 62.3 | 31.8 | -49.0 | 16 | 70 | 22 | |
| Rhode Island | 38.9 | 19.9 | -48.8 | 17 | 68 | 30 | |
| Washington | 45.6 | 23.4 | -48.7 | 18 | 66 | 8 | |
| Arizona | 71.5 | 37.4 | -47.7 | 19 | 64 | 33 | |

⁴² U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, National Vital Statistics System, *National Vital Statistics Reports*, Vol. 62, No. 1, Table B, June 28, 2013. http://www.cdc.gov/nchs/data/nvsr/nvsr62/nvsr62 01.pdf.

⁴³ Stephanie J. Ventura, Brady E. Hamilton, and T. J. Matthews, "National and State Patterns of Teen Births in the United States, 1940–2013," *National Vital Statistics Reports*, Vol. 63, No. 4, August 20, 2014, http://www.cdc.gov/nchs/data/nvsr/nvsr63/nvsr63 04.pdf. Accessed 1/26/15

| | Те | enage | Birth Rate | | | |
|----------------|------|-------|-------------|------|--------|------|
| | | | Change | 2015 | | 2008 |
| State | 1996 | 2012 | (1996–2012) | Rank | Points | Rank |
| Vermont | 29.5 | 16.3 | -44.7 | 20 | 62 | 1 |
| Michigan | 46.4 | 26.3 | -43.3 | 21 | 60 | 11 |
| Minnesota | 32.3 | 18.5 | -42.7 | 22 | 58 | 31 |
| Utah | 41.2 | 23.6 | -42.7 | 23 | 56 | 32 |
| Alabama | 67.1 | 39.2 | -41.6 | 24 | 54 | 16 |
| Hawaii | 47.9 | 28.1 | -41.3 | 25 | 52 | 18 |
| Ohio | 50.4 | 29.8 | -40.9 | 26 | 50 | 21 |
| Wisconsin | 36.9 | 21.9 | -40.7 | 27 | 48 | 36 |
| Tennessee | 64.5 | 38.5 | -40.3 | 28 | 46 | 41 |
| Indiana | 55.1 | 33 | -40.1 | 29 | 44 | 23 |
| Idaho | 46.9 | 28.3 | -39.7 | 30 | 42 | 28 |
| Missouri | 53.2 | 32.2 | -39.5 | 31 | 40 | 26 |
| Texas | 73.1 | 44.4 | -39.3 | 32 | 38 | 39 |
| South Carolina | 60.2 | 36.6 | -39.2 | 33 | 36 | 40 |
| Maine | 31.7 | 19.4 | -38.8 | 34 | 34 | 20 |
| Pennsylvania | 38.4 | 23.7 | -38.3 | 35 | 32 | 25 |
| Arkansas | 73.5 | 45.7 | -37.8 | 36 | 30 | 29 |
| Mississippi | 74 | 46.1 | -37.7 | 37 | 28 | 34 |
| lowa | 37.4 | 24.1 | -35.6 | 38 | 26 | 44 |
| Louisiana | 66.8 | 43.1 | -35.5 | 39 | 24 | 15 |
| New Mexico | 70.5 | 47.5 | -32.6 | 40 | 22 | 45 |
| Kentucky | 61.2 | 41.5 | -32.2 | 41 | 20 | 27 |
| Alaska | 50.8 | 34.5 | -32.1 | 42 | 18 | 14 |
| Nebraska | 38.9 | 26.8 | -31.1 | 43 | 16 | 46 |
| Kansas | 49.4 | 34.1 | -31.0 | 44 | 14 | 37 |
| Montana | 39.3 | 28.8 | -26.7 | 45 | 12 | 47 |
| Oklahoma | 63.1 | 47.3 | -25.0 | 46 | 10 | 42 |
| Wyoming | 44.7 | 34.7 | -22.4 | 47 | 8 | 50 |
| South Dakota | 40.1 | 33.3 | -17.0 | 48 | 6 | 48 |
| North Dakota | 31.6 | 26.5 | -16.1 | 49 | 4 | 49 |
| West Virginia | 50.5 | 44.1 | -12.7 | 50 | 2 | 43 |
| United States | 53.5 | 29.4 | -45.0 | - | - | |

Source: Stephanie J. Ventura, Brady E. Hamilton, and T. J. Matthews, "National and State Patterns of Teen Births in the United States, 1940–2013," National Vital Statistics Reports, Volume 63, Number 4, August 20, 2014, http://www.cdc.gov/nchs/data/nvsr/nvsr63/nvsr63_04.pdf. Accessed 1/26/15

8. Conclusion

In the nearly two decades since the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was signed into law, the nation has seen a major reduction in the number of welfare recipients. The nationwide decline of 70 percent from 1996 to 2013, combined with evidence that most welfare recipients found work and were put on the road to economic self-sufficiency, is a major public policy success.

This survey reveals a wide range of results among the 50 states. The most successful states saw drops of more than 90 percent in the number of TANF recipients, while the least successful states saw declines of less than 30 percent. There is similar variation in success in getting TANF recipients to work for their benefits and reducing poverty, unemployment, and teenage birth rates.

We hope governors and state legislators use the one-page state summaries in this report to quickly identify the strengths and weaknesses of their welfare and anti-poverty programs, and then back reforms that put them in the company of states that are doing it right.

While academic research on the effectiveness of specific state welfare reform policies

continues and is complex, there is general agreement on the policies that work. They are integrating welfare and social services, requiring work or work-related activities immediately upon qualifying for aid, cash diversion programs, lifetime limits on aid, and effective sanctions.

Successful anti-poverty efforts require most or all of these policies be adopted, since they work together to create the proper incentives and opportunities for the poor to climb the opportunity ladder. Together, they compose a thoughtful balance between "the carrot" and "the stick" that should receive bipartisan support from policymakers.

More research is needed to better understand this crucially important and complex process of helping people move from dependency to self-sufficiency. Although some early research has been encouraging, longitudinal research determining what happens to recipients in the months and years after they leave the welfare rolls would be helpful.

It is highly likely that the \$1 trillion now being spent each year, most of it focused on Americans in poverty, is more than enough to lift the barriers keeping people from moving from dependency to self-sufficiency. Now what is needed is for state leaders to benefit from lessons learned and move ahead. By reporting the policy choices of all 50 states and then ranking the states by how effectively they have implemented sound policies, we have provided policymakers with a roadmap to successful anti-poverty efforts. We hope governors and state legislators use the one-page state summaries in this report to quickly identify the strengths and weaknesses of their welfare and anti-poverty programs, and then back reforms that put them in the company of states that are doing it right. The authors stand ready to help.

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2015

Welfare Reform Report Card

A State-by-State Analysis of Anti-Poverty Performance and Welfare Reform Policies

Most state governments can improve the effectiveness of their efforts to help those in poverty. This 50-state report card offers policymakers and the public a roadmap for how it can be done.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ended the national entitlement to welfare and gave states considerable latitude in designing their own programs. Some governors and legislators took full advantage of the opportunity and produced spectacular results, reducing welfare rolls as well as poverty and unemployment. Other states have been less active and less effective.

What did successful states do, and what did unsuccessful states fail to do? This report compiles extensive data on five "outputs" and five "inputs" of state welfare and anti-poverty programs, ranks states according to each variable, and assigns a rank and grade for each state's overall performance.

Governors and state legislators can use the one-page state summaries in this report to quickly identify the strengths and weaknesses of their welfare and anti-poverty programs. A reform agenda that would improve the state's ranking immediately becomes apparent.

Successful welfare reform can save lives and produce positive effects on multiple generations. It can save taxpayers billions of dollars and help address such serious social maladies as alcoholism, crime, and teenage pregnancy. And it can demonstrate how government programs can be successfully devolved from the national government to states.



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