

The Fiscal Effects of Welfare Reform:
State Social Service Spending Before and After
Welfare Reform

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Phil Dearborn, senior fellow and co-director of The Brookings Institution's Greater Washington Research Program, was a co-author of this report. It is with much sadness that we mourn his sudden death on August 23, 2002. Phil was an often-quoted expert in municipal finance, and a well respected colleague and dear friend of the Rockefeller Institute and many others who work on state and local government finances. We will miss him.

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Executive Summary

This study addresses how state spending on social services has changed since the advent of welfare reform, using detailed survey data from 16 states and the District of Columbia for state fiscal year 1995, and for fiscal years 1999 and 2000. This allows us to compare spending before Temporary Assistance to Needy Families (TANF) was adopted in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 with spending after TANF and PRWORA. We focus primarily on changes between 1995 and 1999 but also examine changes from 1999 to 2000.

This report is based on data collected by the Rockefeller Institute of Government and the Brookings Institution, and on data collected by the U.S. General Accounting Office under a different project that used the same survey instrument. We gratefully acknowledge the General Accounting Office for providing data used in this report. The General Accounting Office bears no responsibility for the analysis in this report.

This study takes a broad view of state social services, examining spending by state governments on programs funded by most federal and state sources. We divide social services into six broad categories: (1) cash assistance, (2) other basic needs such as housing assistance, state-funded food assistance, and emergency assistance, (3) child care and child development, (4) work support, including education and training, and post-employment services, (5) child welfare, and (6) other welfare-related services, including juvenile justice expenditures, family formation, pregnancy prevention, and substance abuse expenditures. Although the study focused primarily on social service spending for other than health care, states were also asked to provide spending data for health care programs serving the TANF and non-TANF non-elderly populations, including Medicaid-financed health spending and state-financed programs.

The study states are Arizona, California, Colorado, Connecticut, Louisiana, Maryland, Michigan, Minnesota, New York, Ohio, Oregon, Rhode Island, Tennessee, Texas, Virginia, and Wisconsin, and the District of Columbia. Additionally, we reviewed more detailed data in three states to better understand changes in state spending from sources other than TANF and state maintenance of effort (TANF-MOE) spending.

Our key conclusions are:

1. *To understand how state social service spending has changed, social services spending needs to be viewed broadly, and not focused solely on federal Temporary Assistance to Needy Families (TANF) and associated state maintenance of effort (TANF-MOE) spending.* Social service programs are funded by many different federal and state sources. In some states, spending funded from sources outside of TANF and TANF-MOE far exceeded TANF and TANF-MOE. The extent to which states rely on other funding sources varies considerably from state to state and from spending category to spending category.

2. Overall state spending on social services increased (adjusting for inflation and changes in the poverty population). *The median study state increased real spending per person in poverty by 7 percent between 1995 and 1999, with spending from both federal and state funds up over the period.*
3. Between fiscal year 1995 and 1999, every state in the study decreased cash assistance spending sharply, generally consistent with caseload declines; *however, almost every state increased non-cash assistance social service spending by enough to more than offset the cash assistance decline*, when we include not just TANF and TANF-MOE, but also services funded by other federal and state funds. The median increase was 36 percent.
4. *Looking just at TANF-MOE compared with predecessor programs, we would conclude each state had reduced its own-funds contribution to social services. But when we include state funds outside of TANF-MOE, the increases in other services outweigh the cash assistance declines.* For example, in three states that we examined in detail – California, Louisiana, and Minnesota – state-funded increases in TANF-MOE non-cash assistance spending were not large enough to offset cash assistance TANF-MOE decreases. But when state funds outside of TANF-MOE were included, the states' increased spending in other services more than made up for the cash assistance declines.
5. *Almost every study state increased spending from its own funds between 1995 and 1999, with spending from state funds on non-cash assistance services up 26 percent in the median state.*
6. Child care was far and away the greatest area of emphasis, *with 11 of the 16 survey states and the District of Columbia at least doubling child care spending.* The child care increase reflects the convergence of many factors including a large and growing unmet demand for child care for low-income women, coupled with increased federal funding earmarked for child care, and increased pressure for welfare recipients to work. Child welfare and work support services also were priorities, with child welfare spending up 40 percent in the median state and work support spending up 37 percent. When we limit our analysis to TANF and TANF-MOE, work support was the greatest area of emphasis in the three states we examined in detail, California, Louisiana, and Minnesota.
7. States did not appear to treat different spending categories as substitutes for each other – states with larger-than-average increases in one category also tended to have larger-than-average spending increases in other categories taken together.
8. All study states had considerable cash assistance savings between 1995 and 1999 due to caseload declines. Although states with low benefits under the prior Aid to Families with Dependent Children (AFDC) program had sharper caseload declines than states with higher benefits, high-benefit states actually had greater cash assistance savings per person in poverty because they saved so much more money per

case. High-benefit states generally have higher per-capita income than low-benefit states. As a result, *high-income states often had greater cash assistance savings available to redeploy than did low-income states.*

9. The social service spending survey provides information on certain detailed spending categories for which information is not available from federal reporting sources, in particular for housing and substance abuse. *States do not appear to be using significant amounts of TANF and TANF-MOE funding for housing and substance abuse.* Only four of the 16 survey states and the District of Columbia (Connecticut, Maryland, Michigan, and New York) reported using TANF and TANF-MOE funds for housing services in 1999, and they reported only \$34 million of spending from these funds. Only five states (California, Connecticut, Maryland, New York, and Oregon) reported using TANF and TANF-MOE funds for substance abuse services in 1999, and these amounts were minor – only \$10 million in total for these five states.

Policymakers will need continuing broad-based information on social service spending to understand how states are responding to the new law, especially in view of the recent recession, state budget difficulties, and state efforts to spend down unspent TANF balances. There are several ways in which the work in this study can be extended and expanded upon. First, future versions of the survey could be more inclusive. Gathering the survey data has proved difficult to do, and we have learned many lessons about what information to collect and how to obtain it more efficiently and effectively. In particular, future surveys should gather data on how Medicaid is being used to finance non-health social services and should gather more detailed data on individual programs that finance social service spending.

Second, and perhaps more important, researchers could delve more deeply into the policy and institutional changes that led to the spending changes described here. For example, to what extent were child care spending increases directed toward families receiving TANF cash assistance, or toward families transitioning from TANF cash assistance into the workforce? To what extent were child care increases the result of efforts to make child care more broadly available to low-income families in the states? Similarly, to what extent were work support expenditures used primarily for efforts to move people into the workforce quickly, and to what extent were these expenditures used to support efforts to build skills and knowledge needed for higher earning occupations? The detailed data available from the social service spending survey can be used as a tool to identify programs and questions of interest in individual states, and could form the basis for follow-up research with state officials that would provide a rich view of the relationships between state policy changes and state spending changes.

Finally, comprehensive data are essential to understanding variations across states, and these data and future updates could be used in research that examines how and why state responses to welfare reform have varied across states.

Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) and the Temporary Assistance to Needy Families (TANF) program marked a major overhaul of the nation's welfare system, giving greater flexibility to states in designing and funding social service systems. States have changed their policies and priorities as a result. State budgets reflect state priorities and provide concrete documentation of those priorities. To understand how states have responded to this law, policymakers need to understand how the overall level of social service spending has changed, how state spending priorities have changed, how federal and state financial relationships have changed, and what factors may have led to spending changes.

Public discussion of state social service spending often focuses on federal Temporary Assistance to Needy Families and associated state "maintenance of effort" spending (TANF-MOE), but states deliver a considerable array of social services financed by other sources. For example, states finance child care directly from several federal grants, including TANF, the Child Care and Development Fund (CCDF), and the Social Services Block Grant (SSBG). States may also transfer funds from TANF to the CCDF and the SSBG. In addition, states finance child care from their own funds, including spending used to match federal grants and spending that is entirely discretionary. State financing of child welfare and some other social services is similarly complicated. As a result, we need to look at broad measures of social service spending, not just TANF and TANF-MOE, if we want to understand clearly how states fund social services and how spending has changed under welfare reform.

As discussed below, existing data do not provide this broad view. This study uses detailed survey data from 16 states and the District of Columbia. The survey documents are provided in the appendix. The data are for state fiscal years 1994-95, 1998-99 and 1999-2000. (In the remainder of this report, we refer to fiscal years by the year in which they end – for example, referring to 1994-95 as fiscal year 1995.) These data allow us to compare spending before TANF and PRWORA were enacted with spending after enactment. We focus primarily on changes between 1995 and 1999 but also examine changes from 1999 to 2000. The study states are Arizona, California, Colorado, Connecticut, Louisiana, Maryland, Michigan, Minnesota, New York, Ohio, Oregon, Rhode Island, Tennessee, Texas, Virginia, and Wisconsin, and the District of Columbia.¹ These states accounted for 55 percent of the nation's poverty population in 1999. In addition, we examined more specific data from three states, California, Louisiana, and Minnesota, to understand in more depth social service spending from sources other than TANF and TANF-MOE.

This report is based on data collected by the Rockefeller Institute of Government and the Brookings Institution, and on data collected by the U.S. General Accounting Office under a different project that used the same survey instrument, reported on in their August 2001 study *Welfare Reform: Challenges in Maintaining a Federal-State Fiscal Partnership*². We gratefully acknowledge the General Accounting Office for providing data used in this

report. The General Accounting Office bears no responsibility for the analysis in this report.

The State Social Service Spending Survey

Our goal in this study is to understand how state social service spending has changed in the wake of welfare reform. We address several questions, including how states responded to the flexibility provided by PRWORA; how state priorities shifted within social service spending; whether overall spending levels and spending of state-source funds changed; what policies influenced these shifts; and how federal-state financial relationships changed.

In this study we examine changes in social service spending in the context of the overall state budget. We define “social service” broadly, to include both means-tested programs and other programs more widely available. It is important to take this broader view, since states do not make decisions about TANF-funded programs in a vacuum – for example, decisions about spending on cash assistance or employment support programs can affect, and be affected by, decisions about Medicaid or for that matter the rest of the budget. Furthermore, under PRWORA, states are allowed to use federal TANF and state TANF-MOE funds for services that extend beyond means-tested programs such as cash assistance payments and job training services. States have broad discretion to use TANF funds for purposes that meet the following four goals of the program:

- Provide assistance to needy families so that children may be cared for in their homes or in the homes of relatives;
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- Prevent and reduce the incidence of out-of-wedlock pregnancies; and
- Encourage the formation and maintenance of two-parent families.

Existing data sources do not provide the information we need for this analysis. The key federal financial reporting form, the ACF-196, is focused on collecting data related to the TANF program, and it begins with the federal fiscal year 1997, so it cannot provide a pre-welfare-reform baseline. Also, its TANF focus means it is not broad enough for our purpose. It does not include some categories of social service spending, such as spending on child welfare, that may be affected by the new flexibility in spending allowed under TANF. A second data source, the Consolidated Federal Funds Report (CFFR), provides federal expenditure data for TANF and non-TANF programs, but does not include state and local expenditures, information necessary to analyze changes in state spending priorities. Other existing broad-based sources of data on state government finances have important uses but cannot provide the information we need in this project: state government expenditure data from the National Association of State Budget Officers distinguish TANF cash assistance from other cash assistance, but otherwise do not provide detail on social service spending categories. State and local finance data from the U.S. Bureau of the Census also have important uses, but are not detailed enough to provide information on how state social service spending priorities have changed.

To conduct the analysis, a survey instrument was developed to capture data at a finer level of detail than what is reported on the ACF-196. For example, the survey includes 14 spending categories not specifically broken out on the ACF-196 (several not TANF-related), including housing assistance and substance abuse prevention and treatment. Also gathered was expenditure information for major federal funding streams that support welfare-related services. These include AFDC, JOBS, TANF, CCDF, SSBG, and numerous funding sources that support employment and child welfare-related services.

The analysis focused on funds that flow through the state budget. Federal and local funds are included to the extent they are appropriated at the state level. For example, we included administrative costs associated with the food stamp program but did not include expenditures for federal food stamp benefits.

Additionally, data were collected on a state fiscal year basis, rather than federal fiscal year, to ease the burden imposed on the states. (Every state in our study but one – Michigan – uses a different fiscal year than the federal government, with most using a July 1 fiscal year.) Collecting data on a state fiscal year basis also is important because states make funding decisions within the context of their own fiscal year and budgetary processes, rather than on a federal fiscal year basis.

We gathered information generally available on state budget climates and welfare programs. We then collected detailed expenditure and program information directly from state officials. In several states we used members of the Institute's network of field researchers to open doors, gain cooperation, and obtain detailed information on the state's implementation of TANF. Our initial point of contact was with state budget officials, who generally have a broad view of state funding priorities and the ability to identify state agencies and staff able to provide the necessary data.

For purposes of our analysis, data from the survey was grouped into six main spending categories: (1) cash assistance, (2) other basic needs such as housing assistance, state-funded food assistance, and emergency assistance, (3) child care and child development, (4) work support, including education and training, and post-employment services, (5) child welfare, and (6) other welfare-related services, including juvenile justice expenditures, family formation, pregnancy prevention, and substance abuse expenditures. See the nearby box for descriptions of these categories. We also have collected data on Medicaid-funded services for the working poor. We did not examine Medicaid funding of non-health programs such as child welfare due to significant difficulties in identifying this spending.³

As stated earlier, the focus of our analysis is on the state budget and funds that are subject to state discretion or spending priorities. Therefore, local social service spending was not included unless it was integrated with the state budget. This means that we capture local spending only when it is linked to federal spending such as AFDC spending or when it is money that local governments receive from state grants to localities. Additionally, we do

not capture information systems expenditures unless these are included in administrative costs appropriated at the state level.

The survey was administered in nine states and the District of Columbia for the pre-welfare-reform year of 1994-1995 and post-welfare-reform year of 1999, and where practical, 2000. We combined these data with data collected by the General Accounting Office in seven additional states.⁴ (State-by-state data tables are provided in appendices.) We did a focused analysis on data from three states (California, Louisiana, and Minnesota) to aid in our understanding of the details of spending shifts, particularly in spending from sources other than TANF and TANF-MOE.

The states in this study were chosen for several reasons. First, they vary along many dimensions. We include Wisconsin, the state with the sharpest caseload decline, and Rhode Island, a state with a very minor caseload decline. Some states, such as California as well as the District of Columbia (and others), had very high AFDC spending per person in poverty, while others such as Louisiana and Texas had low spending. The states differ in the TANF policies they have adopted – we include the full-family-sanction states of Arizona and Colorado, and states without full sanctions, such as Minnesota and Rhode Island. The states vary in their political orientation and leadership, and they vary in size and region. Second, we chose states where we have good access to in-state experts. Finally, the states reported on in this study account for more than half of the nation's poverty population.

We worked closely with state officials to make sure they understood our objectives and how we defined categories. Obtaining data that is consistent across states is a difficult task because each state classifies and accounts for its social service programs differently. The primary goal was to ensure that the data collected for each state was consistent across the study years and consistent across the study states where possible.

Social Service Spending Categories Analyzed in This Report

Throughout this report, we focus on state spending on six main categories of social services, whether funded by TANF, TANF state maintenance of effort (TANF-MOE), other federal funds (except Medicaid), and other state funds. (See survey documents in appendix for more detail on categories.) The six spending categories are:

Cash assistance: programs that provide a cash benefit to the recipient such as TANF cash assistance, and state general assistance programs.

Other basic needs: includes expenditures for programs that provide benefits to recipients that have a direct monetary value including child support collections passed through to clients (over \$50 a month), state supplements to the SSI program, diversion payments, emergency assistance, food assistance programs that are part of the state budget (federal food stamp benefits not included), and housing assistance.

Child care and development: includes programs that provide funding for child care services (custodial and educational) for low-income families, including pre-kindergarten and Head Start.

Work support: includes programs that help low-income individuals obtain and keep employment such as employment-related education and training programs, transportation, post-employment services, and earned income tax credits.

Child welfare: includes expenditures on adoption assistance, foster care, independent living programs, and programs intended to prevent out-of-home placements, promote reunification of families, or provide a safe environment for children.

Other welfare-related services: includes juvenile justice, family formation/pregnancy prevention, and substance abuse/treatment programs.

Overview: State Budgeting and the Shift from AFDC to TANF

The conversion of the AFDC entitlement program to a TANF block grant required a change in the way most states budget for welfare and related social services. Because AFDC was an entitlement, states had little budgetary discretion over the amount of either federal or state funds that would be spent within any given year, aside from periodic adjustments to benefit levels and income-eligibility limits.

The amounts states budgeted for AFDC were estimated based primarily on expected caseloads. The estimates included in the budget were made before the start of the fiscal year. If caseloads declined below the estimates during the year, the amount of the federal grant went down and the state's requirement for matching expenditures was less. The state could then use the savings from its reduced matching requirement for whatever purpose it desired. When caseloads went up, federal aid rose, and the state had to come up with more match from its own funds.

From a state budgeting viewpoint, the main challenge was to estimate how much to budget for the state match. The amount estimated for that purpose by the executive branch was included in the budget as mandatory spending and did not have to compete in the budget process with other programs for funding. Legislatures had no immediate control over the amount included in the budget for AFDC and generally gave little, if any, attention to it, although they could change benefit levels. TANF changed this procedure very dramatically.

Each state now knows when preparing its budget exactly how much federal TANF grant money it will receive and how much state money it must spend to meet its maintenance of effort (MOE) requirement. These amounts are available for spending, regardless of the TANF caseloads. When caseloads go down, as occurred in every state between 1995 and 2001, both the federal and state money not spent on cash benefit payments is available for other eligible TANF purposes.

Complicating this process is the interchangeability of federal and state money used for paying TANF cash benefits. There is no longer a matching requirement that provides for a percentage of state money to be paid. A state may use all the federal money for cash benefit payments or all of its own money for that purpose. There is also fungibility with many other state social service programs. This gives states the ability to designate across a wide array of programs where the TANF block grant and the state MOE money get spent.

Prior to the start of each state fiscal year, the state must estimate how much funding will be required to make TANF cash payments during the coming year. It then decides how much to finance from federal funds and how much from state funds. The left over federal TANF and state MOE money is then available to be budgeted for other activities permitted by the TANF law. There is no requirement that the state budget specifically

identify the activities for which these funds are budgeted. However, the state must report at the end of each quarter and for the federal fiscal year where it has spent the money.

The MOE requirement for states to spend 75 percent of what they spent in 1994 (in some instances 80 percent) on countable expenditures is based on annual state expenditures for the federal fiscal year – October 1 to September 30. Since only one state in our study (Michigan) has a fiscal year covering this same period, the states' annual budgets and financial reports will not reconcile with the report used to determine MOE compliance. In addition, the federal government counts cash outlays as expenditures for reporting purposes, but most states record their expenditures on an accrual basis. For any reporting period there will, therefore, be differences in what the state financial accounts show and what is included in the reports to the federal government. It also means that although states budget to meet MOE requirements on a state fiscal year, they must actually meet the requirements on the federal fiscal year.

One of the problems states faced with the rapid decline in cash benefit payments after 1996 was overestimating the amounts that needed to be budgeted. As the fiscal year progressed, unspent TANF and MOE funds that had been budgeted for payment of cash benefits were going unused. This led to charges that states were not using all their TANF grants and could be violating MOE requirements. However, as long as there were other state financed programs eligible for TANF or MOE financing, they could be designated during the year as TANF or MOE funded programs.

Similarly, while these data can reveal whether or not a state financed an expanded or new social service program with "excess TANF" funds, they cannot tell us whether the state did so *because* TANF funds were available. Many additional forces influence these decisions, such as the state's economy and demographics and how they are changing, the state's political environment and how it is changing, changes in other federal grants, and changes in spending pressures elsewhere in the budget. Data can reveal what happened, but not why.

It is likely that there will be problems if TANF rolls increase sharply during a fiscal year and exceed the estimates in the budget for cash benefit payments. Because states generally treat such payments as an entitlement, they will feel considerable incentive to make the expenditures even though the budgeted amount is insufficient. TANF funds kept in reserve in a formal or informal rainy day fund can be used. If all the TANF funds for the year have been budgeted, either state or federal TANF money will have to be taken from other programs.

The legislative role in budgeting has changed in some states because the wide discretion over the use of TANF funds has brought competition for these funds from interest groups and even among state departments. The Arizona legislature, for example, did not appropriate federal AFDC grants, but now is appropriating federal TANF funds for a variety of programs.

The State Budgetary Environment and Welfare Reform

Most states in the nation had the good fortune of implementing welfare reform during a time of plenty. The national economy was strong, growing faster than economic forecasters expected. Most state economies grew, often far faster than state budgeters expected.

Table 1 shows employment growth from 1995 to 1999 for the nation as a whole and for individual study states. Non-farm employment is a broad-based and high-quality indicator of national and state-level economic activity. While employment is only one factor influencing state finances, it is an extremely important indicator of overall economic conditions.

The years from 1995 to 1999 were a period of strong economic growth in the United States as a whole, as reflected in the 10 percent employment growth seen in this period. Arizona had the strongest employment growth, reflecting a dynamic state economy. In fact, all of the states on the list that had employment growth above the national average were located in the South and West, part of a long-term trend of strong employment growth in those areas of the country, and weaker growth in the remainder of the states. The job loss in the District of Columbia, on the other hand, suggests a much weaker local economy.

Table 1

Growth in Non-Farm Employment by State

	% Change 1995 to 1999
Arizona	20.5
Colorado	16.2
Texas	14.2
California	12.6
Virginia	11.2
Oregon	11.0
United States Average	10.0
Minnesota	9.9
Maryland	9.3
Wisconsin	8.8
Tennessee	7.5
Michigan	7.2
New York	7.1
Louisiana	7.0
Connecticut	6.9
Ohio	6.6
Rhode Island	5.8
District of Columbia	(2.4)

Source: U.S. Bureau of Labor Statistics

State finances benefited from the strong economy, booming financial markets, and other special factors in the late 1990s. State tax revenue came in above projections in most states, especially in states that rely heavily on the income tax.

Most, but not all, study states participated in this boom. Many were cutting taxes in the late 1990s, but despite these cuts revenue still grew in every study state, and significantly in some, even after adjusting for inflation and population growth. (See Table 2.)

Table 2

**Growth in State Own-Source Revenue
Adjusted for Inflation and Population Growth**

	% Change 1995 to 1999
District of Columbia	23.7
Louisiana	21.6
California	16.3
Virginia	15.4
Connecticut	15.1
Wisconsin	15.1
Minnesota	14.0
Colorado	13.1
Rhode Island	12.4
Oregon	12.3
Texas	10.9
Michigan	9.7
 United States Average	 9.3
 Ohio	 7.0
Tennessee	4.9
Maryland	4.0
New York	2.9
Arizona	1.8

Sources: U.S. Bureau of the Census,
Bureau of Economic Analysis

Several study states did not fully benefit from the boom. Louisiana struggled with repeated fiscal difficulties partly due to its volatile severance tax structure, and it increased taxes by repealing a sales tax exemption for food, utilities, and certain other goods. Tennessee grappled with Medicaid and education spending that was growing much faster than its tax revenue structure. Without an income tax, Tennessee's revenue structure did not benefit from the boom as much as did other states.

Several other states, particularly Arizona, Maryland, and New York, benefited from the boom but held down overall spending growth to make room for large tax cuts they implemented during this period. Even with large tax cuts, real per-capita own-source revenue still grew in these states, albeit more slowly than in the nation as a whole, allowing modest increases in the overall size of state government. Minnesota and other

states also adopted tax cuts, but while doing so increased spending considerably more than these three states did.

Some states operated under different kinds of constraints. Oregon voters adopted Measure 5 in 1990, which, along with related measures, severely limits allowable growth in state and local revenue and spending. Colorado voters adopted the Taxpayer Bill of Rights (TABOR) in 1992, which also limits growth in state and local spending, and which requires annual rebates by the state of “excess revenue.” Minnesota, by practice rather than permanent law, returned excess revenue to voters via rebates. California for many years has operated under the constraints of Proposition 98, which governs the share of state spending that must be dedicated to education.

Despite fiscal difficulty in a few states and legal constraints in others, the net result in most states was a very favorable fiscal environment in which to implement welfare reform. Overall, every study state but Louisiana and Rhode Island increased total state spending between 1995 and 1999, even after adjusting for inflation and population growth.

While most states were increasing spending in the late 1990s, social service spending, outside of Medicaid, did not necessarily increase significantly. Cash assistance spending accounted for only about four percent of state government general fund spending in 1995.

The two most significant spending pressures and choices most states faced related to Medicaid and K-12 education spending. Immediately prior to 1995, Medicaid, which is the second-largest spending area in the typical state budget, had been growing rapidly. Between 1990 and 1995, medical vendor payments – a Census Bureau measure that is close in concept to Medicaid – grew 78 percent, after adjusting for inflation and population growth, and accounted for 42 percent of all state spending growth in this period. From about 1995 forward, Medicaid spending pressure temporarily subsided and tax revenue boomed, and states shifted their focus to elementary and secondary education, which is the largest item in most state budgets. Between 1995 and 1999, state spending on K-12 education increased 15 percent after adjusting for inflation and population growth, and accounted for 47 percent of the growth in state spending.⁵ Medicaid appears to have “crowded out” many other state priorities in the early 1990s, and elementary and secondary education appears to have crowded out many priorities in the late 1990s.

State Social Service Spending After Welfare Reform: Survey Results

In the following discussion we describe social service spending changes in the typical or average study state by looking at the median – half the states had larger changes than the median and half had smaller changes. We use the median rather than average because the latter can be influenced heavily by a large change in a single state, giving a misleading view of what happened in the “typical” state.

Change in Social Services as a Budget Priority

Most states increased spending on social services; however, this spending did not keep up with overall growth in state budgets, which is not surprising given that it was a time of plenty. From 1995 to 1999, the total state budget increased by 24 percent in the median study state, compared with 6.9 percent growth in non-health social service spending.⁶ Each of the five biggest areas of the state budget grew faster than social service spending: K-12 education (30%), Medicaid (18%), higher education (23%), corrections (39%), and transportation (13%).

This pattern was fairly common across study states, and as result, social service spending declined as a share of the budget in 10 of the 16 survey states and the District of Columbia. Table 3 shows non-health social service spending as a percentage of the state budget in 1995 in each state, and the change in this share from 1995 to 1999. It is worth noting one little-known fact about state welfare spending: Cash assistance is an extremely small share of the budget. In 1995 it constituted only 2.5 percent of the budget in the median state, and this percentage declined 1.5 percentage points by 1999 in the median state.

As the table suggests, and as the nearby figure makes clear, there was a pattern to spending changes: States that spent the most on social services before welfare reform as a percentage of the budget often had the largest declines in spending as a share of the budget – that is, these states tended to place more emphasis on growth in other parts of the budget between 1995 and 1999. By contrast, states that devoted the smallest share of their budgets to social service spending, such as Louisiana and Virginia, tended to increase social service spending the most as a share of the budget, although the pattern was quite variable.

Table 3

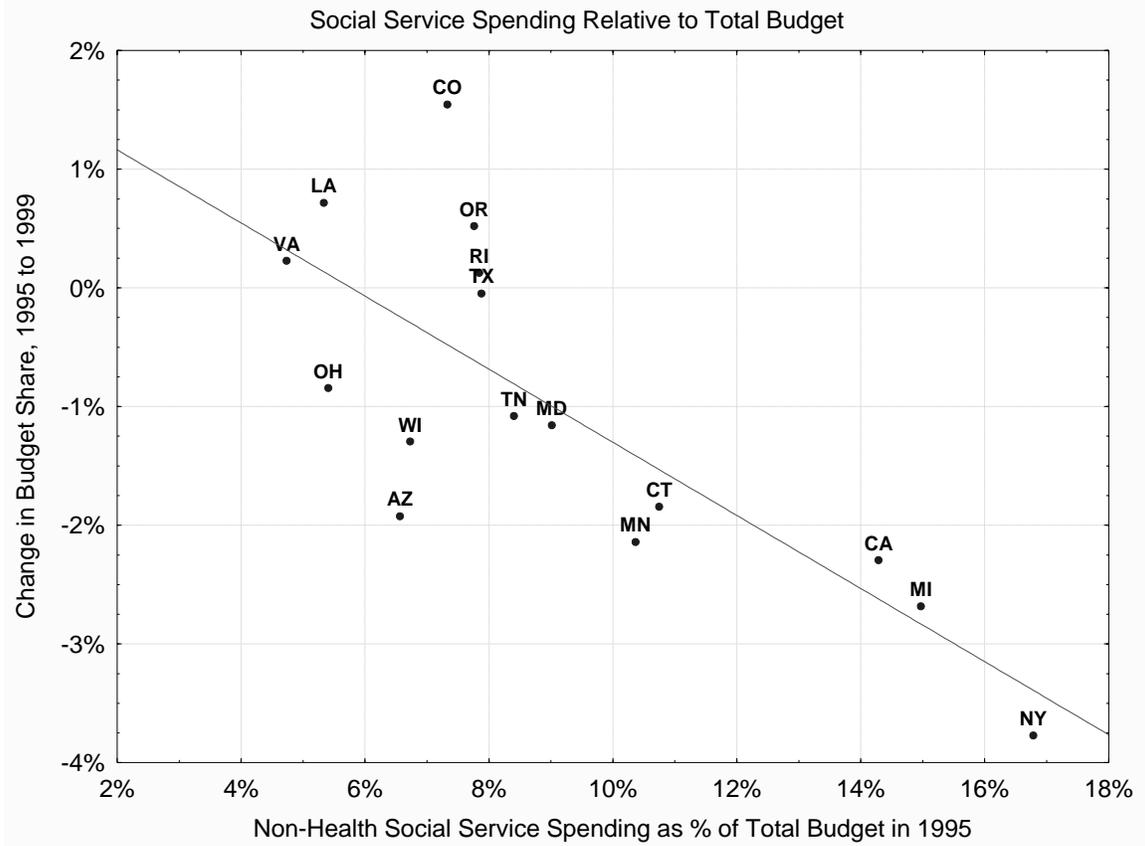
	Category as Share of Total 1995 Budget			1999 Share Minus 1995 Share		
	Cash	Non-Cash-	Non-Health	Cash	Non-Cash-	Non-Health
	Assistance	Assistance	Total	Assistance	Assistance	Total
Colorado	1.8%	5.5%	7.3%	-1.3%	2.8%	1.5%
Louisiana	1.1%	4.2%	5.3%	-0.5%	1.2%	0.7%
Oregon	2.0%	5.8%	7.8%	-1.1%	1.6%	0.5%
Virginia	1.5%	3.3%	4.7%	-0.9%	1.1%	0.2%
Rhode Island	3.5%	4.4%	7.8%	-0.8%	0.9%	0.1%
Texas	1.3%	6.6%	7.9%	-0.8%	0.8%	0.0%
Ohio	3.0%	2.4%	5.4%	-1.8%	0.9%	-0.8%
Tennessee	1.6%	6.9%	8.4%	-0.8%	-0.3%	-1.1%
Maryland	2.3%	6.7%	9.0%	-1.5%	0.3%	-1.2%
Wisconsin	2.2%	4.5%	6.7%	-1.9%	0.6%	-1.3%
Connecticut	3.4%	7.3%	10.7%	-1.9%	0.1%	-1.8%
Arizona	2.6%	3.9%	6.6%	-1.8%	-0.1%	-1.9%
Minnesota	2.8%	7.6%	10.4%	-1.5%	-0.7%	-2.1%
California	6.6%	7.7%	14.3%	-3.7%	1.4%	-2.3%
Michigan	4.2%	10.8%	15.0%	-2.6%	0.0%	-2.7%
New York	6.2%	10.6%	16.8%	-2.7%	-1.1%	-3.8%
Median	2.5%	6.2%	7.9%	-1.5%	0.7%	-1.1%

Note: Social service spending includes TANF, TANF-MOE, plus other federal and state funds.

Sources: Rockefeller Institute of Government, Brookings Institution, and RIG/Brookings analysis of GAO data.

Budget data from State Expenditure Reports, National Association of State Budget Officers

Figure 1



How Combined Federal-State Social Service Spending Changed

Tables 4 and 5 below show the change between 1995 and 1999, in dollars and in percentage terms, in combined federal and state spending by major category for each of the study states. The percentage-change table is sorted so that states with the most rapid increases in total social services spending are listed first. The three tables after that, Tables 6 through 8, show spending in each category as a share of total non-health social service spending in 1995 and 1999, and the change in each category's share.

Not surprisingly, cash assistance was usually the largest spending category in 1995, followed by other basic needs, and child welfare. Spurred by large caseload declines and new flexibility, states altered their priorities dramatically between 1995 and 1999. Cash assistance declined by 50 percent in the median study state, and non-cash social service spending increased by 36 percent.

Almost every state increased spending on non-cash services by enough to more than outweigh cash assistance declines, so that overall social service spending was generally up from the 1995 level. Taking into account general inflation of 10 percent in this period and an overall decline in poverty, most states increased real non-cash spending per person in poverty, some quite significantly.

Most states increased spending in every one of the categories we tracked. Child care was far and away the category with the biggest increases, with 11 of the 16 survey states and the District of Columbia at least doubling this spending. Median growth of child care was 113 percent. The smallest child care increase, in Oregon, was 34 percent, far exceeding inflation and population growth. Work support and child welfare spending each increased by approximately 40 percent in the median state. In addition, study states increased "other welfare-related spending" by 28 percent.

The net result was a slight increase in nominal total social service spending, a larger increase in inflation-adjusted social service spending per person in poverty of about 10 percent, and substantial reallocation of spending within the social service total. In the median state, cash assistance decreased from 31 percent to 13 percent of the total, child care nearly doubled from 7 percent to 12 percent, child welfare spending increased from 17 percent to 20 percent of the total, and other non-cash categories increased slightly as a share of the total.

In addition to growing fastest, child care consumed a large share of the resources states used to help the poor. In 10 of the 14 states for which reliable poverty data were available, child care was first or second largest in terms of increased spending per person in poverty. The median increase in child care spending was \$134 per person in poverty, adjusted for inflation, followed closely by child welfare spending (\$128 increase) and work support spending (\$127 increase).

The median state increased non-health social service spending by 7 percent. This reflected a cash assistance decline of 50 percent, and a 36 percent increase in non-cash social service spending. Most states increased social service spending in every non-cash assistance category. Given that prices increased by 10 percent in this period and the overall poverty population declined, states generally increased real non-cash spending per person considerably.^{7,8}

Work support and child welfare spending had the second fastest growth, each with a median increase of 40 percent. The huge work support increase in Colorado resulted from tax rebates the state provided to low-income taxpayers under its TABOR tax limit rules mentioned earlier.

Table 4

Change in Spending on Non-Health Social Services, 1995 to 1999 Federal and State Sources Combined (\$ millions)								
	Non-Cash-Assistance Spending					Subtotal	Total	
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare			Other Welfare-Related
Arizona	(143)	8	44	20	80	7	158	16
California	(2,632)	239	869	1,103	851	76	3,137	505
Colorado	(86)	62	39	335	69	11	515	429
Connecticut	(203)	(30)	97	29	63	69	228	25
District of Columbia	(46)	(11)	31	3	67	4	94	48
Louisiana	(68)	36	81	23	41	15	196	129
Maryland	(178)	44	38	59	67	57	265	87
Michigan	(576)	32	465	101	130	63	791	216
Minnesota	(166)	(96)	96	63	51	30	143	(24)
New York	(1,620)	(416)	260	256	(321)	(67)	(287)	(1,908)
Ohio	(438)	34	131	72	134	129	500	62
Oregon	(109)	42	21	28	58	13	161	52
Rhode Island	(15)	29	21	(0)	8	(3)	55	40
Tennessee	(71)	12	89	93	(61)	52	185	114
Texas	(259)	98	188	387	69	147	889	630
Virginia	(125)	67	62	(2)	179	60	366	241
Wisconsin	(279)	101	120	89	115	11	436	157

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 5

Percentage Change in Spending on Non-Health Social Services, 1995 to 1999 Federal and State Sources Combined								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Colorado	(59.6)	39.8	86.9	3,447.7	34.4	28.0	115.1	72.4
Virginia	(49.9)	36.8	124.8	(14.5)	120.9	38.9	66.8	30.2
Texas	(53.2)	10.4	50.1	172.7	14.6	34.9	36.6	21.6
Louisiana	(40.9)	11.3	173.6	36.8	27.4	29.1	31.3	16.2
Rhode Island	(12.1)	80.2	163.9	(5.0)	11.6	(9.6)	35.9	14.6
Wisconsin	(79.2)	27.0	219.4	79.7	133.8	10.8	59.8	14.5
District of Columbia	(35.9)	(22.5)	103.4	10.5	84.2	7.0	39.6	13.2
Tennessee	(39.5)	3.0	132.3	139.5	(31.3)	88.0	23.4	11.8
Maryland	(54.9)	13.7	45.9	64.1	27.8	28.6	28.4	6.9
Oregon	(55.8)	23.1	34.2	44.4	34.3	12.6	27.9	6.8
Michigan	(52.3)	3.0	116.6	15.7	45.3	14.6	28.0	5.5
California	(44.9)	7.4	138.7	252.9	43.6	13.9	46.3	4.0
Ohio	(50.0)	17.1	109.7	76.5	67.8	122.5	70.0	3.9
Arizona	(54.7)	6.3	70.9	35.5	57.4	50.9	40.5	2.4
Connecticut	(45.9)	(6.6)	117.7	21.7	40.3	64.9	24.3	1.8
Minnesota	(42.2)	(15.8)	120.0	36.9	40.3	32.1	13.3	(1.6)
New York	(39.0)	(14.3)	54.7	22.9	(17.7)	(9.3)	(4.1)	(17.0)
Median	(49.9)	10.4	116.6	36.9	40.3	28.6	35.9	6.9

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 6

Spending By Category as Percentage of Total Non-Health Social Services in 1995 Federal and State Sources Combined								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	40.0	18.3	9.4	8.7	21.5	2.1	60.0	100.0
California	46.4	25.4	5.0	3.4	15.4	4.3	53.6	100.0
Colorado	24.5	26.2	7.6	1.6	33.7	6.4	75.5	100.0
Connecticut	32.0	33.2	6.0	9.8	11.3	7.7	68.0	100.0
District of Columbia	35.0	12.9	8.2	8.6	21.7	13.6	65.0	100.0
Louisiana	20.9	39.6	5.9	8.0	19.0	6.7	79.1	100.0
Maryland	25.8	25.2	6.6	7.4	19.2	15.9	74.2	100.0
Michigan	28.1	27.1	10.2	16.4	7.3	11.0	71.9	100.0
Minnesota	26.9	41.3	5.4	11.5	8.6	6.3	73.1	100.0
New York	37.1	26.1	4.3	10.0	16.2	6.4	62.9	100.0
Ohio	55.1	12.4	7.5	5.9	12.4	6.6	44.9	100.0
Oregon	25.3	23.3	7.9	8.1	21.7	13.7	74.7	100.0
Rhode Island	44.4	13.2	4.7	2.1	24.2	11.3	55.6	100.0
Tennessee	18.5	41.5	6.9	6.8	20.2	6.1	81.5	100.0
Texas	16.7	32.1	12.9	7.7	16.2	14.4	83.3	100.0
Virginia	31.4	22.7	6.2	1.8	18.6	19.3	68.6	100.0
Wisconsin	32.6	34.7	5.0	10.4	7.9	9.3	67.4	100.0
Median	31.4	26.1	6.6	8.0	18.6	7.7	68.6	100.0

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 7

Spending By Category as Percentage of Total Non-Health Social Services in 1999 Federal and State Sources Combined								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	17.7	19.0	15.8	11.5	33.0	3.0	82.3	100.0
California	24.6	26.3	11.4	11.7	21.3	4.8	75.4	100.0
Colorado	5.7	21.3	8.2	33.8	26.3	4.7	94.3	100.0
Connecticut	17.0	30.4	12.8	11.7	15.5	12.5	83.0	100.0
District of Columbia	19.8	8.8	14.7	8.4	35.4	12.9	80.2	100.0
Louisiana	10.6	37.9	13.8	9.4	20.8	7.4	89.4	100.0
Maryland	10.9	26.8	9.0	11.3	23.0	19.1	89.1	100.0
Michigan	12.7	26.5	20.9	17.9	10.1	11.9	87.3	100.0
Minnesota	15.8	35.4	12.2	16.0	12.2	8.4	84.2	100.0
New York	27.3	27.0	7.9	14.8	16.1	7.0	72.7	100.0
Ohio	26.5	14.0	15.2	10.1	20.1	14.2	73.5	100.0
Oregon	10.5	26.8	9.9	11.0	27.3	14.5	89.5	100.0
Rhode Island	34.1	20.7	10.9	1.7	23.6	8.9	65.9	100.0
Tennessee	10.0	38.2	14.4	14.7	12.4	10.3	90.0	100.0
Texas	6.4	29.1	15.9	17.2	15.3	16.0	93.6	100.0
Virginia	12.1	23.9	10.7	1.2	31.6	20.6	87.9	100.0
Wisconsin	5.9	38.5	14.1	16.3	16.2	9.0	94.1	100.0
Median	12.7	26.8	12.8	11.7	20.8	10.3	87.3	100.0

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 8

Change From 1995 to 1999 in Spending as Percentage of Non-Health Social Services Total Federal and State Sources Combined								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	(22.3)	0.7	6.3	2.8	11.5	1.0	22.3	-
California	(21.8)	0.8	6.4	8.3	5.9	0.4	21.8	-
Colorado	(18.7)	(4.9)	0.6	32.1	(7.4)	(1.6)	18.7	-
Connecticut	(15.0)	(2.7)	6.8	1.9	4.3	4.8	15.0	-
District of Columbia	(15.2)	(4.1)	6.5	(0.2)	13.6	(0.7)	15.2	-
Louisiana	(10.3)	(1.7)	7.9	1.4	1.8	0.7	10.3	-
Maryland	(14.9)	1.6	2.4	3.9	3.8	3.2	14.9	-
Michigan	(15.4)	(0.6)	10.7	1.6	2.8	0.9	15.4	-
Minnesota	(11.1)	(6.0)	6.7	4.5	3.7	2.2	11.1	-
New York	(9.8)	0.9	3.7	4.8	(0.1)	0.6	9.8	-
Ohio	(28.6)	1.6	7.7	4.1	7.6	7.6	28.6	-
Oregon	(14.8)	3.6	2.0	2.9	5.6	0.8	14.8	-
Rhode Island	(10.3)	7.5	6.2	(0.4)	(0.6)	(2.4)	10.3	-
Tennessee	(8.5)	(3.3)	7.5	7.8	(7.8)	4.2	8.5	-
Texas	(10.3)	(2.9)	3.0	9.6	(0.9)	1.6	10.3	-
Virginia	(19.3)	1.1	4.5	(0.6)	13.0	1.3	19.3	-
Wisconsin	(26.7)	3.8	9.0	5.9	8.3	(0.3)	26.7	-
Median	(15.0)	0.7	6.4	3.9	3.8	0.9	15.0	-

Note: Includes TANF, TANF-MOE, plus other federal and state funds

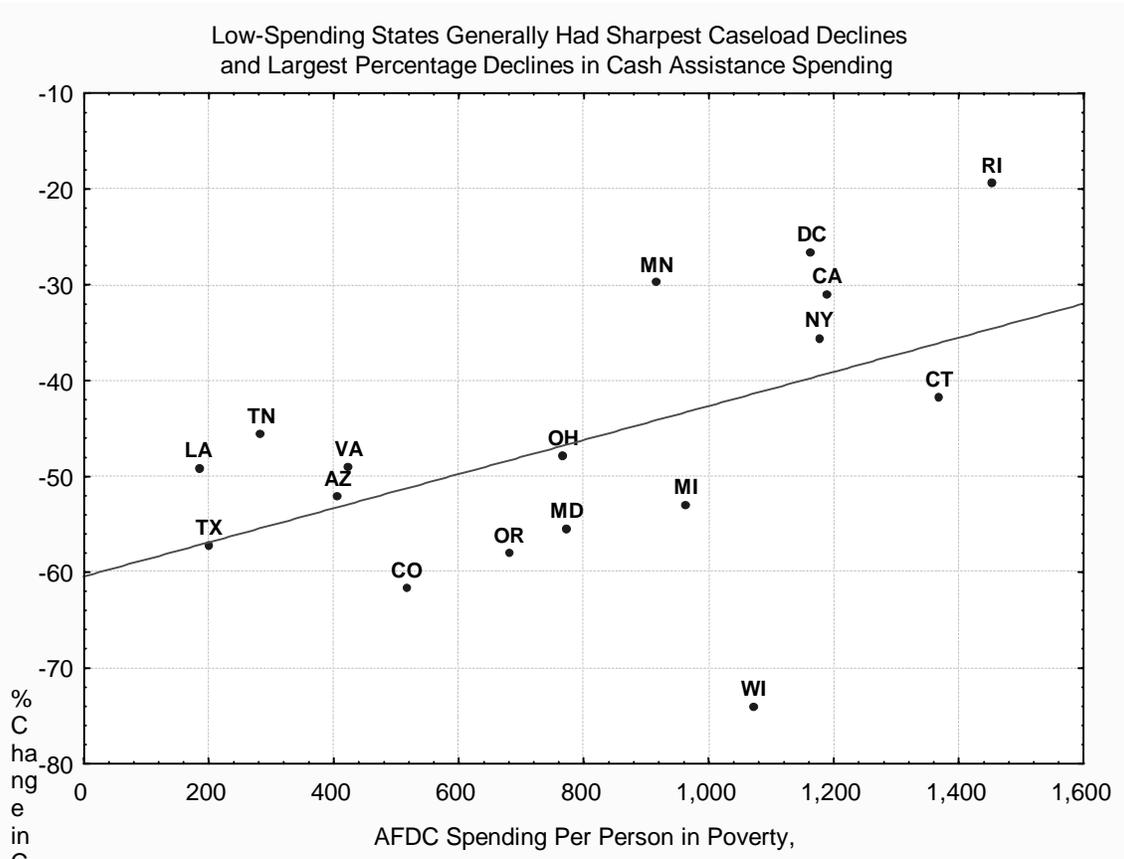
Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Shifts Between Cash Assistance and Other Social Service Spending

The combination of a fixed block grant and rapidly declining caseloads provided states with the opportunity to redeploy social service spending from cash assistance to other areas.⁹

Figure 2 shows that caseload declines were steepest in states that had lower welfare spending (measured by total AFDC spending per person in poverty). Rhode Island, the highest AFDC-spending state in the study, had the smallest caseload decline (only about 20 percent).¹⁰ Wisconsin is highly unusual in that its caseloads declined by far more than in other states with similar spending levels.

Figure 2

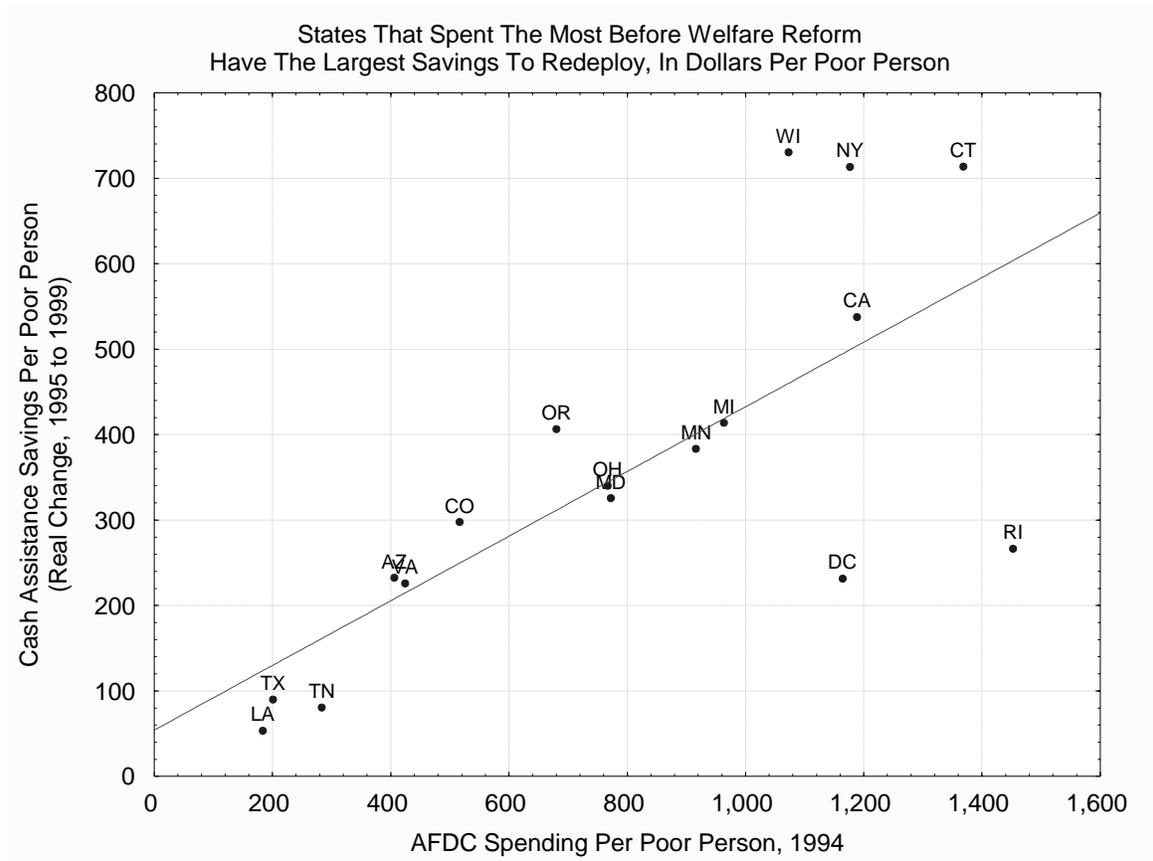


Although caseloads declined most sharply in *low-spending* states, states with higher social service spending levels actually had the greatest capacity to increase spending on non-cash services. Small caseload declines in high-welfare-spending states often freed up more money per person in poverty than did larger caseload declines in low-benefit states, because the money saved per case was so much greater. For example, low-spending Louisiana had a 49 percent caseload decline between January 1995 and January 1999, but

this only generated cash assistance savings of \$53 per person in poverty. By contrast, the District of Columbia, which spent six times as much per person in poverty as Louisiana, only had a 27 percent caseload decline, but this was enough to generate cash assistance savings of \$231 per person in poverty, or more than four times as much as in Louisiana.

As Figure 3 shows, this pattern generally holds across other states – higher-spending states generally had the greatest cash assistance savings per person in poverty, and therefore had the most money available to redeploy.

Figure 3



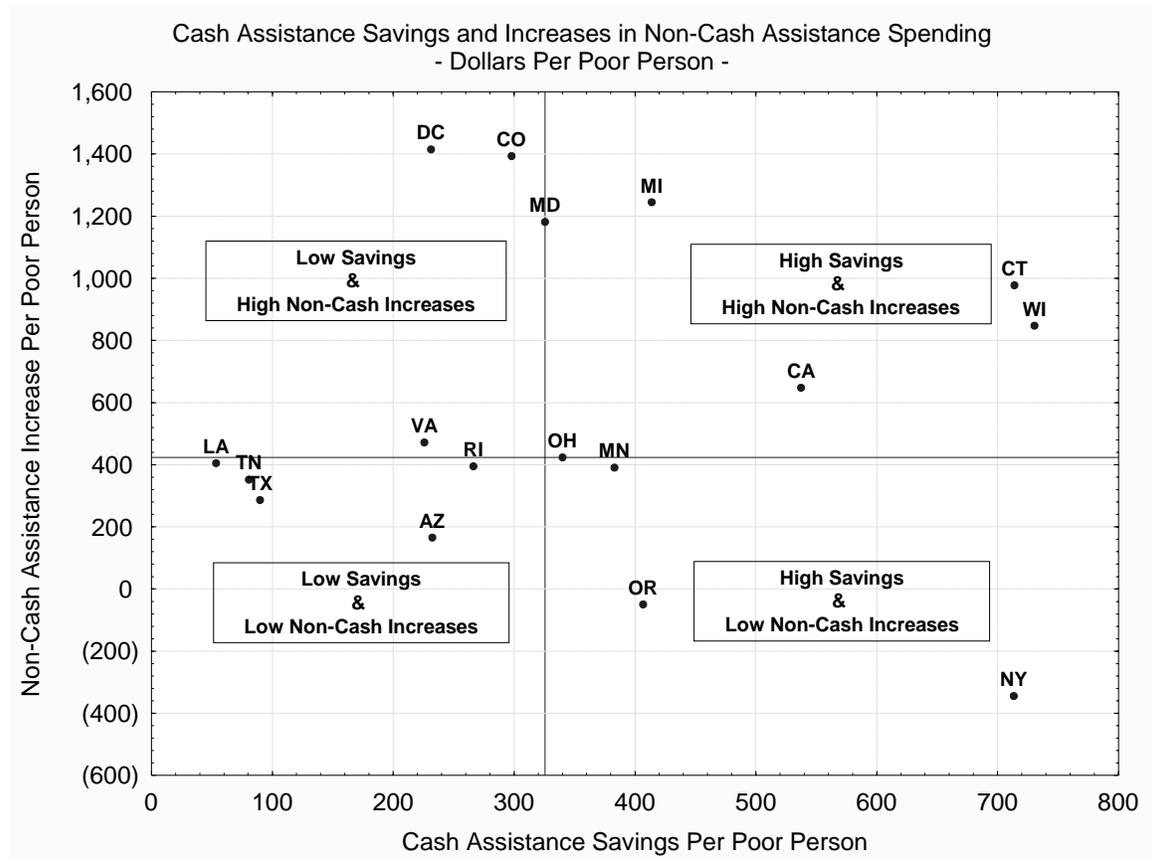
There are some significant exceptions to the general pattern – even though Rhode Island was a high-spending state, it had smaller cash assistance savings than other high-spending states because its caseload decline was relatively small. The same was true of the District of Columbia to a lesser extent.

Figure 4 points to an important issue. States’ abilities to spend money on services in accord with the general thrust of welfare reform was highly dependent on their position prior to welfare reform: States that spent little before reform had little ability to redeploy money for services.

Although high-spending states had the largest *available* cash assistance savings, they did not necessarily redeploy these savings into non-cash services. Some states with low

savings had large increases in non-cash spending, while some states with high savings had small increases (or declines) in non-cash assistance spending, as Figure 4 shows.

Figure 4



The reasons for the differences across states are not clear. External pressures may have played a large role in some of the choices states made. For example, the District of Columbia has the largest increase in spending, in part because its child welfare spending, per person in poverty, increased more than twice as much as in the state with the next largest increase. These costs were driven by forces largely beyond the District’s control – in response to court and receivership directives, the District raised total spending on child welfare by 84 percent between 1995 and 1999, relying on a 147 percent increase in federal funding and 63 percent increase in its own funds.

In general, there is no obvious relationship between spending changes in one category and spending changes in other *individual* categories – for example, states that increased spending on work support substantially did not necessarily increase spending by a lot in any other individual category, such as child welfare, or other basic needs. (One exception is that states which increased *child care* spending substantially also tended to increase *child welfare* spending substantially.) However, even though we might not be able to predict which other services a high-increase state might emphasize, we could be fairly

confident that a state that increases spending on work support, or child care, or another given category, would increase spending on all other non-cash services as well. In other words, states that increase spending on one non-cash category are likely to increase spending on other non-cash categories combined.

Spending Changes Within Categories

In addition to providing a broad view of social service spending, the social service spending survey provides useful detail on spending for specific welfare-related services.

Child Care

The dramatic and widespread child care increase reflects several forces and pressures converging: (1) Many experts believe that even before welfare reform, only a fraction of the demand for child care by low-income families was being met. (2) The demand for child care has been growing for many years, in part because of the rising participation of women in the labor force. (3) The percentage of never-married women with children who are employed has been rising especially rapidly, in part because of welfare reform. According to the *Green Book 2000*, “In 1996, about 35 percent of never-married mothers with children under 18 were employed full time. By 1999, the figure had increased to over 48 percent. The percent of never-married mothers working full time with children under age 6 had grown comparably, increasing from almost 29 percent in 1996 to over 41 percent in 1999.” (4) States have considerably more money from the federal government for child care as a result of the expanded Child Care and Development Block Grant program. (5) The decline in cash assistance has freed up money for child care. (6) There appears to be greater political support for child care spending in the context of a welfare system focused on work.

States were faced not just with a growing unmet need, but with additional funds provided exclusively for that purpose. The 1996 restructuring of federal child care programs into the expanded Child Care and Development Block Grant provided \$20 billion over the period from 1997 through 2002, which is \$4 billion more than would have been available under prior programs.¹¹ In addition to this new dedicated money, which was captured in the state social service spending survey, states also had cash assistance savings plus the ability to transfer TANF funds to the Child Care Development Fund.

Housing and Substance Abuse Spending

The survey was able to gather expenditure data at a finer level of detail than what is reported on the ACF-196, including housing assistance and substance abuse prevention and treatment services. On the ACF-196, this spending is reported in several categories. For example, TANF and TANF-MOE funds may be used to provide housing assistance including grants or loans to assist with the purchase of a home and rental subsidies. These expenditures are reported in multiple categories on the ACF-196 depending on the nature of the service (assistance v. non-assistance). As a result it is not possible to analyze state use of TANF funds to provide housing assistance using federal data. (Additionally, several of our categories are not TANF-related and are automatically outside the purview of the ACF-196.)

States did not rely heavily on TANF and TANF-MOE for housing assistance. Only four states (Connecticut, Maryland, Michigan, and New York) reported using TANF or TANF-MOE funds for housing assistance in 1999, and they reported a total of only \$34

million in spending from these funds. TANF-related expenditures accounted for only 2 percent of reported spending on housing assistance.

Spending data for subsequent years may show an increase in state use of TANF for housing assistance. Final TANF regulations issued in April 1999 – the fourth quarter of fiscal year 1999 for most of our study states – clarified the definition of “assistance.” The regulations gave states the flexibility to use TANF funds to provide short-term or one-time housing assistance to families not in receipt of TANF cash assistance without subjecting the families to the requirements that apply to TANF-funded assistance. These requirements include the five-year time limit on receipt of TANF-funded assistance, states’ work participation rates, and assignment of child support rights.¹²

Although national estimates of substance abuse among welfare recipients range from 8 to 23 percent of the caseload, we found surprisingly little use of TANF and TANF-MOE funds for prevention and treatment services. Only five states (California, Connecticut, Maryland, New York, and Oregon) reported using TANF and TANF-MOE funds for substance abuse services in 1999 and they reported a total of \$10 million in TANF and TANF-MOE expenditures for these services. These expenditures accounted for less than 6 percent of reported substance abuse prevention and treatment spending.

This low level of spending may be the result of undeveloped state policies and practices for identifying and tracking substance abuse among TANF recipients and delays in developing specialized employment services. Spending data for subsequent years may show an increase in state use of TANF and TANF-MOE funds as state policies and practices are fully implemented and programs become fully operational.¹³

Health Spending in Relation to Non-Health Social Service Spending

Although this study has focused primarily on non-health social service spending, states were also asked to provide spending data for “any health care program, excluding long-term care, that serves both the TANF and non-TANF-non-elderly populations.” States provided us with data on Medicaid-financed health spending as well as programs financed from states’ own funds.

Health programs provide significant support to low-income individuals and families – in fact, in the median study state these programs were almost as large as all other non-health social service programs combined. As a result, we report on health programs separately to avoid obscuring trends in non-health social service programs.

Table 9 below shows, for 14 states and the District of Columbia, combined federal and state health expenditures in 1995 and 1999, as well as the change from 1995 to 1999.¹⁴ The table also shows, for comparison purposes, the change in non-health social service expenditures.

As the table shows, health spending increased in 11 of the 14 states and in the District of Columbia, and decreases in the other three states were small. In half of the states, health

spending increases were as large as, or larger than, the change in all other non-health social service spending combined.

Table 9

**Combined Federal and State Health Spending, \$ millions
And Change in Health and Non-Health Spending**

	Health 1995	Health 1999	Health \$ Change	NonHealth \$ Change
Arizona	241	351	110	16
California	7,183	7,451	267	505
Colorado	553	775	222	429
Connecticut	1,480	1,453	(27)	25
District of Columbia	282	308	26	48
Louisiana	1,561	1,556	(5)	129
Michigan	2,548	2,763	215	216
Minnesota	646	703	57	(24)
New York	13,137	15,351	2,214	(1,908)
Oregon	537	719	182	52
Rhode Island	626	752	126	40
Tennessee	2,163	2,726	563	114
Texas	3,172	3,285	113	630
Virginia	560	556	(5)	241
Wisconsin	1,693	1,912	219	157

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

It is clear that states put very substantial resources into health services for the non-elderly. Table 10 shows the percentage change in health spending and in non-health social service spending, sorted by the former. Overall growth in health spending in the median state was slightly greater than non-health spending growth. States with large increases in non-health spending often had small increases in health spending, but the pattern was by no means uniform.

Table 10

**Combined Federal and State Health Spending, \$ millions
And Percentage Change in Health and NonHealth Spending**

	Health % Change	NonHealth % Change
Arizona	45.7	2.4
Colorado	40.1	72.4
Oregon	34.0	6.8
Tennessee	26.0	11.8
Rhode Island	20.2	14.6
New York	16.9	(17.0)
Wisconsin	12.9	14.5
District of Columbia	9.3	13.2
Minnesota	8.8	(1.6)
Michigan	8.4	5.5
California	3.7	4.0
Texas	3.6	21.6
Louisiana	(0.3)	16.2
Virginia	(0.8)	30.2
Connecticut	(1.8)	1.8
Median	9.3	11.8

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Changes in the Federal-State Distribution of Spending

As discussed earlier, states have new flexibility in budgeting for TANF and face new incentives that cut in several directions. Sometimes states will have flexibility and incentive to put federal funds into a particular spending area, and sometimes they will have incentive to fund a program with state funds. The incentives will vary from state to state and from program to program within a state, and may change over time as well. As a result it is not obvious how the federal and state shares in individual states and programs may be changing in the post-welfare-reform environment.

Table 11 illustrates the variation. The table shows, for each state and spending category, how the federal share of spending changed between 1995 and 1999. Each cell of the table is the federal percentage share of combined federal-state spending in 1999 minus its percentage share in 1995. For example, the upper left cell gives the change in the federal share of Arizona's cash assistance. The federal share in 1995 (not shown in the table) was 64.6 percent, and in 1999 the share was 61.1 percent (also not shown in table), or a drop of 3.5 percentage points, which is the value in the table.

As the table shows, the changes were quite mixed. Every category had increases and decreases in the federal share, as did every state. The median change in each category is

fairly small, and the overall change for most states is usually fairly small. The main exception to this is Colorado, where, as discussed earlier, a large rebate of “excess tax revenue” to low-income individuals arranged under by the state’s “TABOR” tax limit and rebate rules drove the state share of work support up in 1999, and the federal share down.

The table suggests that states rearranged the federal-state distribution of funding in many different ways that vary by state and program, and that there were not clear incentives that worked in the same direction across states and programs.

Table 11

Change in Federal Percentage Share of Federal-State Spending, 1995 to 1999

	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	(3.5)	3.6	16.4	(9.7)	15.1	-	7.9	4.3
California	(7.4)	0.8	17.0	13.5	(6.3)	3.6	8.6	1.6
Colorado	1.5	(10.5)	(14.7)	(68.0)	(16.7)	(2.8)	(29.1)	(26.1)
Connecticut	26.8	1.1	(3.8)	(7.1)	0.5	(12.4)	(3.3)	2.0
District of Columbia	(11.8)	26.0	40.0	28.1	8.5	1.5	14.6	6.6
Louisiana	(27.9)	1.1	4.5	21.3	(12.4)	(5.1)	(0.5)	(2.2)
Maryland	4.5	4.8	19.2	(20.8)	(0.7)	6.0	3.1	3.0
Michigan	(23.4)	(2.3)	(4.6)	6.8	5.8	4.2	4.1	0.1
Minnesota	1.4	1.6	(20.0)	(4.3)	(9.7)	(3.0)	(1.8)	(2.5)
New York	3.7	1.3	0.5	(3.6)	(4.5)	3.6	(2.3)	(0.3)
Ohio	(31.5)	(4.2)	19.1	(47.1)	(0.5)	0.1	(5.6)	(7.8)
Oregon	17.9	(3.9)	21.5	(7.7)	(2.8)	(3.9)	(1.0)	1.7
Rhode Island	6.5	7.8	(14.6)	-	3.0	(0.8)	3.7	2.5
Tennessee	5.7	2.0	5.5	(11.6)	(6.4)	(0.9)	1.5	2.4
Texas	(12.3)	0.7	3.4	15.9	12.8	(6.6)	4.0	3.3
Virginia	8.3	(10.0)	(19.1)	21.9	9.6	(1.6)	(4.5)	(1.8)
Wisconsin	(20.1)	8.4	22.6	13.5	(3.5)	11.1	13.1	5.1
Median	1.4	1.1	4.5	(3.6)	(0.7)	(0.8)	1.5	1.7

Note: Includes TANF plus other federal funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Changes from 1999 to 2000

We also obtained considerable spending data for 2000, although we did not always receive as much detail or as much programmatic information as for 1999. It will be important to analyze data for 2000 and for later years for many reasons: (1) states have begun spending down unspent TANF balances that they accumulated during the early years of welfare reform, providing an extra boost to social service spending; (2) these unspent balances are similar to nonrecurring revenue in nature: after they are spent, they will not be available and programs financed with these funds will have to be discontinued or financed with other sources; (3) the recession and its aftermath are straining state finances and also may be leading to cash assistance caseload increases, creating competing pressures both to cut budgets (including social service spending) and to increase spending for populations that have become more needy; and (4) as more people reach 5-year time limits, states will be faced with new choices about how to allocate and reallocate social service spending.

Tables 12 and 13 below present the change and percentage change, respectively, from 1999 to 2000 in combined federal-state non-health social service spending for 15 states and the District of Columbia (data for Arizona were not available). Spending from federal-only funds and from state-only funds are shown in appendix tables.

Cash assistance spending declined in all but two states – Tennessee and Texas. Every state but Oregon increased nominal spending on non-cash assistance services. The increased spending on non-cash assistance services usually outweighed the cash assistance declines, so that total non-health social service spending was up in all but two states.

The broad patterns of change were similar to those between 1995 and 1999, although they were not as dramatic. Every state increased spending on child care, some quite substantially. Most states also increased spending on work supports, child welfare, and other categories, but there also were a few year-to-year decreases.

Table 12

Change in Spending on Non-Health Social Services, 1999 to 2000 Federal and State Sources Combined (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
California	(160)	271	381	(477)	516	143	834	674
Colorado	(9)	44	42	62	29	4	181	171
Connecticut	(44)	23	1	12	20	28	84	40
District of Columbia	(8)	(2)	7	7	(8)	21	24	16
Louisiana	(24)	(13)	15	(8)	8	5	7	(17)
Maryland	(11)	109	10	(1)	14	44	176	165
Michigan	(54)	116	81	30	63	28	317	263
Minnesota	(4)	50	12	63	14	30	169	165
New York	(8)	(137)	185	127	32	(77)	130	122
Ohio	(28)	12	196	(11)	58	(9)	245	218
Oregon	(5)	(18)	1	(0)	(11)	24	(4)	(8)
Rhode Island	(3)	(2)	21	4	(3)	1	21	17
Tennessee	10	5	14	(31)	19	15	21	30
Texas	18	62	176	65	118	70	491	509
Virginia	(20)	23	10	7	7	7	54	34
Wisconsin	(14)	(89)	3	93	3	6	17	2

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 13

Percentage Change in Spending on Non-Health Social Services, 1999 to 2000 Federal and State Sources Combined							
	Non-Cash-Assistance Spending					Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare		
California	(4.9)	7.8	25.5	(31.0)	18.4	22.8	5.1
Colorado	(15.7)	20.2	49.6	17.9	10.7	9.1	16.8
Connecticut	(18.5)	5.4	0.7	7.0	9.3	16.0	2.8
District of Columbia	(10.2)	(6.6)	11.2	21.4	(5.6)	39.1	3.9
Louisiana	(24.3)	(3.7)	12.1	(9.1)	3.9	7.3	(1.8)
Maryland	(7.5)	30.3	8.2	(0.9)	4.6	17.1	12.3
Michigan	(10.3)	10.6	9.3	4.0	15.1	5.6	6.4
Minnesota	(1.7)	9.7	6.6	27.3	7.9	24.9	11.4
New York	(0.3)	(5.5)	25.2	9.3	2.1	(11.8)	1.3
Ohio	(6.3)	5.0	78.0	(6.8)	17.4	(3.6)	13.2
Oregon	(5.7)	(8.0)	1.4	(0.1)	(5.0)	20.3	(1.0)
Rhode Island	(2.9)	(3.1)	60.3	69.7	(4.0)	3.3	5.5
Tennessee	8.9	1.2	8.8	(19.6)	13.9	12.9	2.8
Texas	8.0	6.0	31.2	10.6	21.8	12.4	14.3
Virginia	(15.8)	9.2	9.4	57.7	2.1	3.1	3.2
Wisconsin	(19.3)	(18.5)	1.8	46.1	1.3	5.6	0.2
Median	(6.9)	5.2	10.3	8.2	6.3	10.8	4.5

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

What Influenced State Spending Changes?

The change in real per-capita social service spending varied dramatically across states, ranging from 14 percent growth in Virginia to a decline of 24 percent in New York. There is no obvious pattern to the variation across states – the change is unrelated to a state’s level of prior AFDC spending, to its caseload change, or to the growth in real per-capita income. Spending growth is, not surprisingly, mildly correlated with state revenue growth – states with more rapid increases in own-source revenue generally increased social service spending more rapidly (with significant exceptions).¹⁵

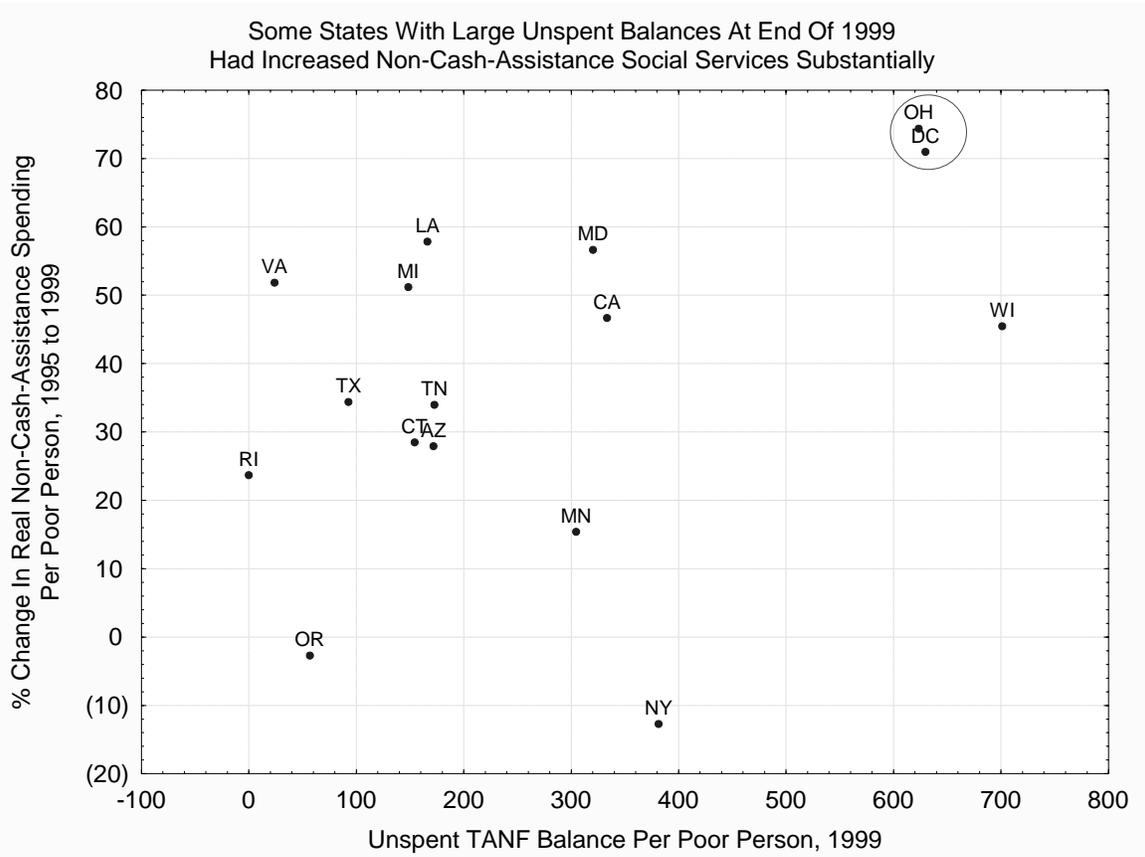
Although social service spending tended to increase more in states where revenue increased more, that does not mean the revenue increases “caused” the spending increase. Changes in pressures and desires for social service spending may have influenced state revenue structures, and changes in state tax revenue may have influenced state social service spending choices. Louisiana may have increased taxes in the mid 1990s in part to support social service spending growth. Conversely, Arizona, Maryland, and New York all were implementing large tax cuts in the late 1990s and that may have influenced their spending choices.

Unspent Funds

Many states did not spend TANF funds fully in the early years of the program, creating concern among advocates for the poor, members of Congress, and others. States have since begun to “spend down” unspent TANF balances and the issue appears to be much less controversial than it was in prior years.¹⁶

The data from the state social service spending survey provide an opportunity to see whether the states that built up unspent balances were states that had not been increasing social service spending. Figure 5 plots the percentage change in spending on non-cash services per person in poverty against the level of unspent balances per person in poverty at year-end 1999. As the figure shows, states with large unspent balances were a decidedly mixed group. The two states with the largest unspent balances, per person in poverty, were Ohio and Wisconsin, as well as the District of Columbia, and yet they were also the states with the largest percentage increases in spending per person in poverty. This certainly lends credence offered in some states that unspent balances did not necessarily accumulate because of an intent to avoid spending, but because of start-up difficulties.

Figure 5



Social Service Spending Outside of TANF/TANF-MOE: Evidence from Three Focus States

States use many federal and state funding streams outside of TANF and TANF-MOE to fund social services, and also may use TANF and TANF-MOE to fund different categories of services. Focusing just on TANF and TANF-MOE spending would provide an incomplete and inaccurate picture of state spending on social services. Any study of social service spending must take into account both TANF and TANF-MOE as well as other funding sources. For example, using TANF-MOE data to analyze changes in labor participation rates among families may vastly misestimate how states vary in their support of different policies – for example, work support programs are largely captured by TANF-MOE data in some states but hardly at all in others.

It is also important to examine changes in all social service spending because TANF and TANF-MOE are not just funding streams, but also represent a federal attempt to focus state efforts on very specific goals. TANF can and in some places probably has had indirect effects on other programs and funding by altering the goals of those programs or by emphasizing some initiatives (e.g., child care or work related activities) and de-emphasizing others (e.g., income maintenance).

These indirect effects may have been one of the hoped-for effects of the block grant, and comprehensive data are needed to identify and understand them. In fact, one analytical strategy researchers working with this data might take would be to discern specific effects of welfare reform by comparing changes in categories that are closely related to welfare reform goals with changes that are less closely related.

To learn how states' use of other funding streams have changed in the wake of TANF, TANF and TANF-MOE spending was compared with spending funded from other federal and state sources in three diverse states for which we had especially detailed data – California, Louisiana, and Minnesota.

Understanding how much state social service spending is financed by funds outside of TANF and TANF-MOE requires us to decide whether the TANF transfer to the CCDF and SSBG should count as TANF spending or whether it should count as spending outside of TANF. On one hand, this spending clearly is financed by TANF. On the other hand, TANF funds transferred to these programs: (a) are not subject to TANF requirements and spending must meet the requirements of the recipient program, and (b) may not necessarily be spent in the year transferred and so the transfer may not be an accurate measure of spending. (In fact, we know that in some states not all of the CCDF transfer has been spent, and so attributing the entire transfer to TANF spending will overstate the TANF share of funds and understate the non-TANF share).

There is no single “right” way to look at this issue.¹⁷ Table 14 below shows non-TANF and non-TANF-MOE spending as a percentage of total social service spending by category. Note that child care and total spending is presented both ways – with the TANF transfer to the CCDF treated as TANF-financed spending, and with it treated as spending from other federal funds, reflected as a range.

Table 14

**State Social Service Spending in 1998-99
The Importance of Funds Outside of TANF and TANF-MOE**

	Federal and State Funds Outside of TANF and TANF-MOE as % of All Federal and State Funds		
	California	Louisiana	Minnesota
Cash Assistance	0%	0%	8%
Other Basic Needs	82%	100%	97%
Child Care	55-76%	16-96%	59-90%
Work Support	25%	76%	83%
Child Welfare	91%	100%	100%
Other Welfare-Related Spending	67%	100%	100%
Total	53-56%	76-85%	77-80%

As the table shows, even if we treat the TANF transfer to CCDF as TANF child care, total social service spending financed outside of TANF is more than half of social service spending. Further, the differences across categories and states are quite striking: Little or no cash assistance is financed with funds outside of TANF and TANF-MOE, but virtually all of child welfare spending is financed with other funds. California pays for only 25 percent of work support spending with funds other than TANF and TANF-MOE, but Minnesota pays for 83 percent of work support with these other funds.

Not only does spending from sources other than TANF and TANF-MOE vary across states, but within a state the share can vary dramatically for federal funds and state funds. The table below illustrates this using data for California, treating the TANF transfer to CCDF as TANF spending: 33 percent of federal spending in the “Other Basic Needs” category is financed with non-TANF funds, while 95 percent of state spending in this category is financed with non-TANF-MOE funds.

Table 15

California: Non-TANF Spending as Percent of Total Federal and Non-MOE as Percent of Total State, 1998-99

	Federal: Non-TANF Share	State: Non-MOE Share
Cash Assistance	0%	0%
Other Basic Needs	33%	95%
Child Care	35%	76%
Work Support	27%	3%
Child Welfare	100%	85%
Other Welfare-Related Spending	53%	95%
Total	38%	65%

We obtain a very different picture of changing state priorities when we look at state social service spending from all sources than when we look just at spending from TANF and TANF-MOE. Spending from sources outside of TANF and TANF-MOE has changed differently over the years than TANF and TANF-MOE spending. This is particularly true when we compare the change in state-funded TANF-MOE relative to predecessor programs with the change in state-funded spending.

In California, Louisiana, and Minnesota, state spending on TANF-MOE declined in each state between the 1995 and 1999 fiscal years when compared with the predecessor

programs of AFDC, AFDC Child Care, JOBS, and Emergency Assistance. (Note that TANF-MOE requirements were set at 75% to 80% of historic levels, suggesting that Congress was willing to accept a modest level of reduction in state spending on TANF purposes.) But in each state, spending on social services from other state sources increased substantially – enough to more than offset the decline in TANF-MOE, so that the total state contribution in each state increased over the years rather than declined.

The table below shows the change, in millions of dollars, in state-funded TANF-MOE compared with the change in spending funded from other state sources. In each case, the increase in non-cash assistance spending funded from other state sources (outside TANF-MOE) is large enough that the total change is an increase rather than the decrease seen when we look only at TANF-MOE.

Table 16

**State Spending of State TANF-MOE Funds and Other State Funds
Change From 1994-95 to 1998-99, Millions of Dollars**

	California		Louisiana		Minnesota	
	TANF-MOE	Other State	TANF-MOE	Other State	TANF-MOE	Other State
Cash Assistance	(1,066)	-	6	(0)	(64)	(24)
Other Basic Needs	(201)	362	-	0	(2)	(74)
Child Care	92	235	(0)	10	-	82
Work Support	43	(24)	(15)	3	6	41
Child Welfare	185	450	-	37	(7)	40
Other Welfare-Related Spending	9	(5)	(0)	9	-	23
Non-Cash-Assistance Subtotal	128	1,017	(15)	59	(2)	112
Total	(938)	1,017	(9)	59	(66)	88

To understand what states are spending their federal non-TANF and state non-TANF-MOE social services funds on we examined categorical data for California, Louisiana, and Minnesota.

State spending from states’ own funds often involves matches to federal programs, for example, work support spending outside of TANF may include the Welfare-to-Work Block Grant, child care spending includes primarily spending from the CCDF, and child welfare spending includes federal Title IV-B Child Welfare funds and Title IV-E Foster Care funds. In some cases, however, state spending is for programs that are similar to these programs but wholly state-supported. For example, California’s general child care program provides child care for many families that are not TANF-eligible, but who have income less than 75 percent of the statewide median. Minnesota has a similar program.

Whether all of the non-TANF and non-TANF-MOE spending should be considered “social service” spending is partly in the eye of the beholder. Clearly not all of this spending is intended to benefit the working poor and those who might transition from cash assistance to work. But on the other hand, this definition of social service is narrow enough that it excludes services that some people would consider core social services.

For example, it excludes spending on California's rapidly growing In-Home Supportive Services program, which provides in-home assistance to disabled and elderly individuals and which grew significantly between 1994-95 and 1998-99.

Conclusions from the Focus States

Key conclusions from exploring the data for our three focus states of California, Louisiana, and Minnesota are:

- TANF and TANF-MOE spending appears to account for less than half of state spending on many social services.
- States may vary considerably in how they use non-TANF *federal* funds for social services and in how they use non-MOE *state* funds for social services.
- Looking only at TANF and TANF-MOE provides only a partial picture of state social service spending and provides only a partial picture of how state spending has changed.

Continuing and Improving Upon the Analysis in this Study

Policymakers will need continuing broad-based information on social service spending to understand how states are responding to the new law, especially in view of the recent recession, state budget difficulties, and state efforts to spend down unspent TANF balances. There are several ways in which the work in this study can be extended and expanded upon. First, future versions of the survey could be more inclusive. Gathering the survey data has proved difficult to do, and we have learned many lessons about what information to collect and how to obtain it more efficiently and effectively. In particular, future surveys should gather data on how Medicaid is being used to finance non-health social services and should gather more detailed data on individual programs that finance social service spending.

Second, and perhaps more important, researchers could delve more deeply into the policy and institutional changes that led to the spending changes described here. For example, to what extent were child care spending increases directed toward families receiving TANF cash assistance, or toward families transitioning from TANF cash assistance into the workforce? To what extent were child care increases the result of efforts to make child care more broadly available to low-income families in the states? Similarly, to what extent were work support expenditures used primarily for efforts to move people into the workforce quickly, and to what extent were these expenditures used to support efforts to build skills and knowledge needed for higher earning occupations? The detailed data available from the social service spending survey can be used as a tool to identify programs and questions of interest in individual states, and could form the basis for follow-up research with state officials that would provide a rich view of the relationships between state policy changes and state spending changes.

Finally, comprehensive data are essential to understanding variations across states, and these data and future updates could be used in research that examines how and why state responses to welfare reform have varied across states.

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Appendices

Summary Social Service Spending Tables

State-by-State Social Service Spending Tables

Survey Documents

Summary Social Service Spending Data Tables

State Spending in 1995 – Federal-State Combined, Federal, and State

Table 17

State Spending on Non-Health Social Services in 1995 From Federal and State Sources Combined (\$ millions)								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	260.8	119.2	61.5	56.6	139.8	13.4	390.5	651.3
California	5,862.2	3,214.7	626.1	435.9	1,952.6	548.9	6,778.2	12,640.4
Colorado	144.9	155.2	45.0	9.7	199.7	37.8	447.4	592.3
Connecticut	441.6	457.4	82.6	135.0	155.2	106.3	936.5	1,378.1
District of Columbia	127.6	46.9	29.9	31.3	79.3	49.7	237.0	364.6
Louisiana	165.8	314.5	46.5	63.7	150.6	52.9	628.2	794.0
Maryland	324.3	316.4	82.7	92.6	241.5	199.9	933.0	1,257.4
Michigan	1,101.5	1,064.3	399.1	642.0	287.1	431.2	2,823.8	3,925.3
Minnesota	394.6	606.9	79.8	169.2	126.0	92.4	1,074.4	1,469.0
New York	4,150.4	2,919.5	475.8	1,115.7	1,811.4	718.0	7,040.4	11,190.8
Ohio	875.4	197.4	119.8	94.4	197.5	105.5	714.5	1,590.0
Oregon	195.1	179.4	60.6	62.8	167.7	105.7	576.3	771.3
Rhode Island	122.8	36.4	13.1	5.7	67.0	31.3	153.5	276.4
Tennessee	179.0	401.8	67.3	66.3	195.4	59.4	790.2	969.3
Texas	487.1	934.8	375.4	224.4	473.7	421.1	2,429.4	2,916.5
Virginia	250.0	181.3	49.4	14.1	148.4	153.9	547.1	797.1
Wisconsin	352.9	376.0	54.6	112.2	85.9	100.6	729.2	1,082.1

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 18

State Spending on Non-Health Social Services in 1995 From Federal Sources (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	168.5	70.6	42.5	48.9	48.3	13.4	223.7	392.2
California	2,953.8	656.7	207.7	346.4	904.1	357.3	2,472.3	5,426.1
Colorado	77.4	120.5	24.4	6.9	93.5	24.7	270.1	347.5
Connecticut	198.1	204.5	37.3	77.0	78.8	33.3	430.9	629.1
District of Columbia	63.9	18.3	6.1	18.8	19.8	13.0	76.0	139.9
Louisiana	113.7	280.5	37.6	46.4	103.2	35.0	502.7	616.5
Maryland	157.4	162.5	40.2	89.8	107.0	41.7	441.2	598.6
Michigan	591.1	618.4	335.4	216.3	114.1	132.2	1,416.4	2,007.5
Minnesota	193.0	182.8	40.7	68.1	85.5	32.0	408.9	601.9
New York	1,491.4	1,395.8	193.5	213.9	891.5	122.6	2,817.3	4,308.7
Ohio	531.6	175.5	61.4	93.8	142.4	76.1	549.3	1,080.9
Oregon	121.2	162.4	33.9	53.9	90.4	46.0	386.6	507.9
Rhode Island	68.7	14.1	7.8	3.8	17.8	10.1	53.6	122.4
Tennessee	117.3	332.6	51.5	61.4	93.9	26.7	566.1	683.4
Texas	294.8	810.9	151.4	162.5	212.9	215.3	1,553.0	1,847.8
Virginia	114.9	169.6	28.1	7.4	44.4	34.3	283.7	398.7
Wisconsin	213.0	123.1	33.6	33.7	50.3	32.9	273.6	486.6

Note: Includes TANF plus other federal funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 19

State Spending on Non-Health Social Services in 1995 From State Sources (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	92.3	48.6	19.0	7.7	91.5	-	166.8	259.1
California	2,908.4	2,557.9	418.4	89.5	1,048.5	191.6	4,306.0	7,214.4
Colorado	67.5	34.7	20.6	2.8	106.2	13.0	177.2	244.8
Connecticut	243.4	252.9	45.3	58.0	76.3	73.0	505.5	749.0
District of Columbia	63.7	28.6	23.8	12.5	59.5	36.7	161.0	224.7
Louisiana	52.1	34.0	8.9	17.3	47.4	17.9	125.4	177.5
Maryland	167.0	153.9	42.5	2.8	134.4	158.2	491.8	658.8
Michigan	510.4	445.9	63.7	425.8	173.0	299.0	1,407.3	1,917.7
Minnesota	201.6	424.2	39.2	101.2	40.5	60.4	665.5	867.0
New York	2,659.0	1,523.7	282.3	901.7	920.0	595.3	4,223.1	6,882.1
Ohio	343.8	21.8	58.4	0.6	55.1	29.3	165.2	509.0
Oregon	73.8	17.0	26.7	8.9	77.4	59.8	189.6	263.4
Rhode Island	54.1	22.3	5.3	1.9	49.2	21.2	99.9	154.0
Tennessee	61.7	69.2	15.9	4.9	101.5	32.7	224.1	285.9
Texas	192.3	123.8	224.0	61.9	260.9	205.8	876.4	1,068.7
Virginia	135.0	11.7	21.4	6.8	104.0	119.5	263.4	398.5
Wisconsin	139.9	252.9	21.0	78.4	35.6	67.7	455.6	595.5

Note: Includes TANF-MOE plus other state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

State Spending in 1999 – Federal-State Combined, Federal, and State

Table 20

State Spending on Non-Health Social Services in 1999 From Federal and State Sources Combined (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	118.1	126.7	105.2	76.7	220.1	20.2	548.8	666.9
California	3,229.8	3,453.3	1,494.6	1,538.4	2,803.8	625.3	9,915.5	13,145.3
Colorado	58.6	217.0	84.1	344.6	268.4	48.3	962.4	1,020.9
Connecticut	238.8	427.2	179.7	164.3	217.7	175.4	1,164.3	1,403.1
District of Columbia	81.7	36.3	60.8	34.6	146.0	53.2	330.9	412.6
Louisiana	98.1	350.0	127.1	87.1	191.8	68.3	824.5	922.5
Maryland	146.4	359.8	120.7	151.9	308.7	257.1	1,198.3	1,344.7
Michigan	525.9	1,095.9	864.6	743.1	417.3	494.1	3,614.9	4,140.8
Minnesota	228.2	511.1	175.7	231.7	176.8	122.1	1,217.3	1,445.5
New York	2,530.1	2,503.3	735.9	1,371.7	1,490.8	651.4	6,753.1	9,283.2
Ohio	437.5	231.0	251.2	166.6	331.4	234.6	1,214.9	1,652.4
Oregon	86.2	220.9	81.4	90.7	225.2	119.1	737.2	823.4
Rhode Island	108.0	65.6	34.5	5.4	74.7	28.3	208.6	316.6
Tennessee	108.3	413.9	156.4	158.8	134.3	111.7	975.1	1,083.4
Texas	228.0	1,032.3	563.6	611.8	543.0	568.0	3,318.8	3,546.8
Virginia	125.3	248.0	111.1	12.1	327.8	213.7	912.7	1,038.0
Wisconsin	73.5	477.4	174.4	201.6	200.8	111.5	1,165.6	1,239.2

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 21

State Spending on Non-Health Social Services in 1999 From Federal Sources (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	72.2	79.6	90.0	58.8	109.3	20.2	357.8	430.0
California	1,387.4	734.7	749.4	1,430.3	1,120.7	429.7	4,464.7	5,852.1
Colorado	32.2	145.6	33.2	10.9	80.9	30.2	300.8	333.0
Connecticut	171.1	195.5	74.4	82.1	111.7	33.2	496.9	668.0
District of Columbia	31.3	23.6	36.7	30.5	48.8	14.7	154.4	185.7
Louisiana	39.9	315.9	108.5	82.0	107.7	41.7	655.8	695.7
Maryland	77.7	202.0	81.9	115.7	134.6	69.1	603.4	681.1
Michigan	159.0	611.7	686.8	300.9	190.0	172.0	1,961.4	2,120.4
Minnesota	114.8	162.1	54.4	83.2	102.9	38.6	441.2	556.0
New York	1,002.9	1,229.5	303.3	213.0	666.7	134.8	2,547.4	3,550.2
Ohio	127.8	195.7	176.7	87.1	237.4	169.5	866.4	994.2
Oregon	69.0	191.3	63.0	70.9	115.1	47.2	487.5	556.5
Rhode Island	67.4	30.5	15.5	3.6	22.1	8.9	80.5	148.0
Tennessee	77.1	351.1	128.3	128.7	55.9	49.2	713.2	790.3
Texas	110.0	902.3	246.4	540.1	313.3	252.8	2,254.9	2,365.0
Virginia	68.0	207.3	42.0	9.0	129.4	44.3	432.1	500.1
Wisconsin	29.6	196.6	146.8	87.7	110.6	48.8	590.5	620.1

Note: Includes TANF plus other federal funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 22

State Spending on Non-Health Social Services in 1999 From State Sources (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	45.9	47.1	15.2	17.9	110.8	-	191.0	236.9
California	1,842.4	2,718.6	745.3	108.2	1,683.2	195.6	5,450.8	7,293.2
Colorado	26.4	71.4	50.9	333.7	187.5	18.1	661.6	688.0
Connecticut	67.7	231.7	105.3	82.2	105.9	142.2	667.4	735.0
District of Columbia	50.4	12.7	24.1	4.1	97.2	38.5	176.5	227.0
Louisiana	58.2	34.1	18.6	5.2	84.2	26.7	168.7	226.9
Maryland	68.7	157.8	38.8	36.2	174.1	187.9	594.8	663.6
Michigan	366.9	484.2	177.8	442.2	227.3	322.1	1,653.5	2,020.4
Minnesota	113.5	348.9	121.2	148.5	73.9	83.4	776.0	889.5
New York	1,527.2	1,273.8	432.6	1,158.6	824.1	516.6	4,205.7	5,733.0
Ohio	309.7	35.4	74.6	79.4	93.9	65.2	348.5	658.2
Oregon	17.2	29.6	18.4	19.8	110.1	71.9	249.7	266.9
Rhode Island	40.5	35.2	19.0	1.9	52.7	19.4	128.1	168.6
Tennessee	31.1	62.8	28.1	30.1	78.4	62.5	261.9	293.1
Texas	118.0	130.0	317.2	71.7	229.7	315.1	1,063.8	1,181.8
Virginia	57.3	40.6	69.1	3.0	198.4	169.4	480.6	537.9
Wisconsin	43.9	280.8	27.6	113.9	90.2	62.7	575.1	619.1

Note: Includes TANF-MOE plus other state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

State Spending in 2000 – Federal-State Combined, Federal, and State

Table 23

Spending on Non-Health Social Services in 2000 Federal and State Sources Combined (\$ millions)								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
California	3,070	3,724	1,876	1,061	3,320	768	10,749	13,819
Colorado	49	261	126	406	297	53	1,143	1,192
Connecticut	195	450	181	176	238	204	1,248	1,443
District of Columbia	73	34	68	42	138	74	355	429
Louisiana	74	337	143	79	199	73	831	906
Maryland	136	469	131	151	323	301	1,374	1,510
Michigan	472	1,212	945	773	480	522	3,932	4,404
Minnesota	224	561	187	295	191	152	1,386	1,611
New York	2,522	2,366	921	1,499	1,523	575	6,883	9,405
Ohio	410	243	447	155	389	226	1,460	1,870
Oregon	81	203	83	91	214	143	734	815
Rhode Island	105	64	55	9	72	29	229	334
Tennessee	118	419	170	128	153	126	996	1,114
Texas	246	1,094	740	676	661	638	3,809	4,056
Virginia	106	271	122	19	335	220	966	1,072
Wisconsin	59	389	178	295	203	118	1,182	1,241

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 24

Spending on Non-Health Social Services in 2000 Federal Sources (\$ millions)								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
California	1,416	621	1,016	886	1,433	489	4,446	5,861
Colorado	35	155	65	10	107	34	369	404
Connecticut	118	231	61	83	119	34	528	646
District of Columbia	24	17	44	35	63	27	187	210
Louisiana	56	303	123	43	117	47	631	687
Maryland	60	295	91	121	147	82	736	796
Michigan	224	725	643	325	220	185	2,097	2,321
Minnesota	112	161	80	125	121	65	551	663
New York	813	1,168	380	263	821	148	2,779	3,592
Ohio	123	204	307	130	288	152	1,082	1,205
Oregon	74	175	47	73	116	61	472	546
Rhode Island	65	29	30	7	23	10	99	163
Tennessee	103	357	138	98	54	58	705	807
Texas	115	966	342	579	420	249	2,557	2,672
Virginia	49	217	87	13	130	45	492	540
Wisconsin	19	151	119	147	135	56	607	626

Note: Includes TANF plus other federal funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 25

Spending on Non-Health Social Services in 2000 State Sources Combined (\$ millions)								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
California	1,655	3,103	860	175	1,887	279	6,304	7,958
Colorado	15	106	61	397	191	19	774	788
Connecticut	76	219	120	93	119	169	721	797
District of Columbia	50	17	24	7	75	47	169	218
Louisiana	18	34	20	37	83	27	200	218
Maryland	75	174	40	30	176	219	639	714
Michigan	248	487	302	448	261	337	1,835	2,083
Minnesota	112	400	108	171	70	88	835	947
New York	1,709	1,199	542	1,235	702	426	4,104	5,813
Ohio	287	38	140	25	101	74	378	665
Oregon	7	29	36	18	98	82	262	269
Rhode Island	40	35	25	2	49	19	130	171
Tennessee	15	62	32	30	99	68	291	306
Texas	131	128	398	97	241	389	1,253	1,384
Virginia	57	54	35	6	205	175	475	532
Wisconsin	41	238	58	148	69	62	575	615

Note: Includes TANF-MOE, plus other state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Change in Spending From 1995 to 1999 – Federal-State Combined, Federal, and State

Table 26

Change in State Spending on Non-Health Social Services From 1995 to 1999 Federal and State Sources Combined (\$ millions)								
	Non-Cash-Assistance Spending						Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	(142.7)	7.5	43.6	20.1	80.3	6.8	158.3	15.6
California	(2,632.4)	238.7	868.6	1,102.5	851.2	76.4	3,137.3	504.9
Colorado	(86.3)	61.8	39.1	334.9	68.7	10.6	515.0	428.7
Connecticut	(202.8)	(30.2)	97.2	29.3	62.5	69.1	227.8	25.0
District of Columbia	(45.8)	(10.5)	30.9	3.3	66.7	3.5	93.9	48.0
Louisiana	(67.8)	35.6	80.7	23.4	41.2	15.4	196.3	128.6
Maryland	(177.9)	43.5	38.0	59.3	67.2	57.2	265.2	87.3
Michigan	(575.7)	31.7	465.4	101.1	130.2	62.9	791.2	215.5
Minnesota	(166.3)	(95.8)	95.8	62.5	50.8	29.6	142.9	(23.5)
New York	(1,620.3)	(416.2)	260.1	256.0	(320.6)	(66.5)	(287.3)	(1,907.6)
Ohio	(437.9)	33.7	131.4	72.2	133.9	129.2	500.3	62.4
Oregon	(108.9)	41.5	20.8	27.9	57.5	13.3	160.9	52.1
Rhode Island	(14.8)	29.2	21.4	(0.3)	7.8	(3.0)	55.1	40.2
Tennessee	(70.7)	12.1	89.0	92.5	(61.1)	52.3	184.9	114.2
Texas	(259.1)	97.5	188.2	387.4	69.3	146.9	889.4	630.3
Virginia	(124.7)	66.6	61.7	(2.1)	179.4	59.9	365.5	240.9
Wisconsin	(279.4)	101.4	119.8	89.4	114.9	10.9	436.4	157.0

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 27

Change in State Spending on Non-Health Social Services From 1995 to 1999 Federal Sources (\$ millions)								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	(96.3)	9.0	47.4	9.9	60.9	6.8	134.1	37.8
California	(1,566.4)	78.0	541.7	1,083.8	216.6	72.5	1,992.5	426.1
Colorado	(45.2)	25.1	8.8	3.9	(12.6)	5.5	30.7	(14.5)
Connecticut	(27.0)	(9.0)	37.1	5.1	32.9	(0.1)	66.0	39.0
District of Columbia	(32.6)	5.3	30.6	11.7	29.0	1.7	78.4	45.8
Louisiana	(73.8)	35.4	70.9	35.6	4.4	6.6	153.0	79.2
Maryland	(79.7)	39.5	41.7	26.0	27.6	27.4	162.2	82.6
Michigan	(432.1)	(6.7)	351.3	84.6	75.9	39.8	545.0	112.8
Minnesota	(78.2)	(20.6)	13.8	15.1	17.4	6.7	32.3	(45.9)
New York	(488.5)	(166.3)	109.8	(0.9)	(224.7)	12.1	(270.0)	(758.5)
Ohio	(403.8)	20.1	115.3	(6.7)	95.0	93.3	317.1	(86.8)
Oregon	(52.3)	28.9	29.1	17.0	24.7	1.2	100.9	48.6
Rhode Island	(1.3)	16.4	7.7	(0.3)	4.3	(1.3)	26.9	25.6
Tennessee	(40.1)	18.5	76.8	67.4	(38.0)	22.5	147.1	106.9
Texas	(184.7)	91.3	95.1	377.6	100.4	37.6	702.0	517.2
Virginia	(46.9)	37.8	14.0	1.7	85.0	10.0	148.4	101.4
Wisconsin	(183.4)	73.5	113.2	54.0	60.3	15.8	316.9	133.5

Note: Includes TANF plus other federal funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 28

Change in State Spending on Non-Health Social Services From 1995 to 1999								
State Sources (\$ millions)								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	(46.4)	(1.5)	(3.8)	10.2	19.3	-	24.2	(22.2)
California	(1,066.0)	160.7	326.9	18.6	634.7	3.9	1,144.8	78.8
Colorado	(41.2)	36.7	30.3	330.9	81.3	5.1	484.4	443.2
Connecticut	(175.8)	(21.2)	60.0	24.2	29.6	69.2	161.8	(13.9)
District of Columbia	(13.2)	(15.9)	0.3	(8.4)	37.7	1.8	15.5	2.3
Louisiana	6.1	0.2	9.7	(12.1)	36.8	8.8	43.3	49.4
Maryland	(98.2)	3.9	(3.7)	33.4	39.6	29.8	103.0	4.8
Michigan	(143.5)	38.3	114.1	16.5	54.2	23.1	246.2	102.7
Minnesota	(88.1)	(75.2)	82.1	47.3	33.4	23.0	110.6	22.5
New York	(1,131.8)	(249.9)	150.3	256.9	(95.9)	(78.7)	(17.3)	(1,149.1)
Ohio	(34.1)	13.5	16.2	78.9	38.8	35.9	183.3	149.2
Oregon	(56.6)	12.6	(8.3)	10.9	32.7	12.1	60.1	3.5
Rhode Island	(13.6)	12.8	13.7	-	3.4	(1.8)	28.2	14.6
Tennessee	(30.6)	(6.4)	12.2	25.2	(23.0)	29.8	37.8	7.2
Texas	(74.3)	6.2	93.2	9.8	(31.1)	109.3	187.4	113.1
Virginia	(77.7)	28.9	47.7	(3.7)	94.4	49.9	217.2	139.4
Wisconsin	(96.0)	27.8	6.6	35.5	54.6	(4.9)	119.5	23.5

Note: Includes TANF-MOE plus other state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Percent Change in Spending From 1995 to 1999 – Federal-State Combined, Federal, and State

Table 29

Percentage Change in State Spending on Non-Health Social Services From 1995 to 1999 Federal and State Sources Combined								
	Non-Cash-Assistance Spending					Subtotal	Total	
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare			Other Welfare-Related
Arizona	(54.7)	6.3	70.9	35.5	57.4	50.9	40.5	2.4
California	(44.9)	7.4	138.7	252.9	43.6	13.9	46.3	4.0
Colorado	(59.6)	39.8	86.9	3,447.7	34.4	28.0	115.1	72.4
Connecticut	(45.9)	(6.6)	117.7	21.7	40.3	64.9	24.3	1.8
District of Columbia	(35.9)	(22.5)	103.4	10.5	84.2	7.0	39.6	13.2
Louisiana	(40.9)	11.3	173.6	36.8	27.4	29.1	31.3	16.2
Maryland	(54.9)	13.7	45.9	64.1	27.8	28.6	28.4	6.9
Michigan	(52.3)	3.0	116.6	15.7	45.3	14.6	28.0	5.5
Minnesota	(42.2)	(15.8)	120.0	36.9	40.3	32.1	13.3	(1.6)
New York	(39.0)	(14.3)	54.7	22.9	(17.7)	(9.3)	(4.1)	(17.0)
Ohio	(50.0)	17.1	109.7	76.5	67.8	122.5	70.0	3.9
Oregon	(55.8)	23.1	34.2	44.4	34.3	12.6	27.9	6.8
Rhode Island	(12.1)	80.2	163.9	(5.0)	11.6	(9.6)	35.9	14.6
Tennessee	(39.5)	3.0	132.3	139.5	(31.3)	88.0	23.4	11.8
Texas	(53.2)	10.4	50.1	172.7	14.6	34.9	36.6	21.6
Virginia	(49.9)	36.8	124.8	(14.5)	120.9	38.9	66.8	30.2
Wisconsin	(79.2)	27.0	219.4	79.7	133.8	10.8	59.8	14.5

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 30

Percentage Change in State Spending on Non-Health Social Services From 1995 to 1999								
Federal Sources								
	Cash Assistance	Non-Cash-Assistance Spending					Subtotal	Total
		Other Basic Needs	Child Care	Work Support	Child Welfare	Other Welfare-Related		
Arizona	(57.1)	12.7	111.4	20.3	126.1	50.9	59.9	9.6
California	(53.0)	11.9	260.8	312.9	24.0	20.3	80.6	7.9
Colorado	(58.4)	20.8	35.8	56.8	(13.5)	22.1	11.3	(4.2)
Connecticut	(13.6)	(4.4)	99.6	6.6	41.7	(0.4)	15.3	6.2
District of Columbia	(51.0)	29.3	499.0	62.5	146.7	13.0	103.1	32.7
Louisiana	(64.9)	12.6	188.6	76.7	4.3	19.0	30.4	12.8
Maryland	(50.6)	24.3	103.8	28.9	25.8	65.7	36.8	13.8
Michigan	(73.1)	(1.1)	104.7	39.1	66.5	30.1	38.5	5.6
Minnesota	(40.5)	(11.3)	33.8	22.2	20.3	20.9	7.9	(7.6)
New York	(32.8)	(11.9)	56.7	(0.4)	(25.2)	9.9	(9.6)	(17.6)
Ohio	(76.0)	11.5	187.8	(7.1)	66.7	122.5	57.7	(8.0)
Oregon	(43.1)	17.8	85.7	31.4	27.4	2.6	26.1	9.6
Rhode Island	(1.8)	116.0	98.8	(6.9)	24.3	(12.3)	50.1	20.9
Tennessee	(34.2)	5.6	149.3	109.7	(40.5)	84.3	26.0	15.6
Texas	(62.7)	11.3	62.8	232.3	47.2	17.4	45.2	28.0
Virginia	(40.8)	22.3	49.7	22.7	191.7	29.1	52.3	25.4
Wisconsin	(86.1)	59.7	336.8	159.9	119.9	48.1	115.8	27.4

Note: Includes TANF plus other federal funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

Table 31

Percentage Change in State Spending on Non-Health Social Services From 1995 to 1999							
State Sources							
	Non-Cash-Assistance Spending					Subtotal	Total
	Cash Assistance	Other Basic Needs	Child Care	Work Support	Child Welfare		
Arizona	(50.3)	(3.1)	(20.0)	131.1	21.1	14.5	(8.6)
California	(36.7)	6.3	78.1	20.8	60.5	26.6	1.1
Colorado	(61.0)	105.9	147.6	11,888.4	76.5	273.3	181.1
Connecticut	(72.2)	(8.4)	132.6	41.7	38.8	32.0	(1.9)
District of Columbia	(20.8)	(55.5)	1.3	(67.4)	63.4	9.6	1.0
Louisiana	11.6	0.5	109.7	(70.2)	77.7	34.5	27.8
Maryland	(58.8)	2.5	(8.8)	1,177.1	29.5	20.9	0.7
Michigan	(28.1)	8.6	179.2	3.9	31.3	17.5	5.4
Minnesota	(43.7)	(17.7)	209.5	46.8	82.5	16.6	2.6
New York	(42.6)	(16.4)	53.2	28.5	(10.4)	(0.4)	(16.7)
Ohio	(9.9)	61.9	27.6	14,282.8	70.5	110.9	29.3
Oregon	(76.7)	74.1	(31.2)	123.7	42.3	31.7	1.3
Rhode Island	(25.1)	57.5	260.7	(1.2)	7.0	28.2	9.5
Tennessee	(49.5)	(9.2)	77.2	511.0	(22.7)	16.9	2.5
Texas	(38.7)	5.0	41.6	15.9	(11.9)	21.4	10.6
Virginia	(57.6)	245.9	223.5	(55.1)	90.7	82.4	35.0
Wisconsin	(68.6)	11.0	31.4	45.2	153.4	26.2	4.0

Note: Includes TANF-MOE plus other state funds

Sources: Rockefeller Institute of Government, The Brookings Institution, and RIG/Brookings analysis of General Accounting Office data

State-By-State Social Service Spending Tables

Arizona State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	260.8	118.1	-142.7	-54.7
Other Basic Needs	119.2	126.7	7.5	6.3
Child Care	61.5	105.2	43.6	70.9
Work Support	56.6	76.7	20.1	35.5
Child Welfare	139.8	220.1	80.3	57.4
Other Welfare-Related Services	13.4	20.2	6.8	50.9
Non-Cash Subtotal	390.5	548.8	158.3	40.5
Total	651.3	666.9	15.6	2.4
<u>Federal Spending</u>				
Cash Assistance	168.5	72.2	-96.3	-57.1
Other Basic Needs	70.6	79.6	9.0	12.7
Child Care	42.5	90.0	47.4	111.4
Work Support	48.9	58.8	9.9	20.3
Child Welfare	48.3	109.3	60.9	126.1
Other Welfare-Related Services	13.4	20.2	6.8	50.9
Non-Cash Subtotal	223.7	357.8	134.1	59.9
Total	392.2	430.0	37.8	9.6
<u>State Spending</u>				
Cash Assistance	92.3	45.9	-46.4	-50.3
Other Basic Needs	48.6	47.1	-1.5	-3.1
Child Care	19.0	15.2	-3.8	-20.0
Work Support	7.7	17.9	10.2	131.1
Child Welfare	91.5	110.8	19.3	21.1
Other Welfare-Related Services	0.0	0.0	0.0	
Non-Cash Subtotal	166.8	191.0	24.2	14.5
Total	259.1	236.9	-22.2	-8.6

Note: Includes TANF, TANF-MOE, plus other federal and state funds
Source: Social Services Spending Survey

California State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	5,862.2	3,229.8	-2,632.4	-44.9
Other Basic Needs	3,214.7	3,453.3	238.7	7.4
Child Care	626.1	1,494.6	868.6	138.7
Work Support	435.9	1,538.4	1,102.5	252.9
Child Welfare	1,952.6	2,803.8	851.2	43.6
Other Welfare-Related Services	548.9	625.3	76.4	13.9
Non-Cash Subtotal	6,778.2	9,915.5	3,137.3	46.3
Total	12,640.4	13,145.3	504.9	4.0
<u>Federal Spending</u>				
Cash Assistance	2,953.8	1,387.4	-1,566.4	-53.0
Other Basic Needs	656.7	734.7	78.0	11.9
Child Care	207.7	749.4	541.7	260.8
Work Support	346.4	1,430.3	1,083.8	312.9
Child Welfare	904.1	1,120.7	216.6	24.0
Other Welfare-Related Services	357.3	429.7	72.5	20.3
Non-Cash Subtotal	2,472.3	4,464.7	1,992.5	80.6
Total	5,426.1	5,852.1	426.1	7.9
<u>State Spending</u>				
Cash Assistance	2,908.4	1,842.4	-1,066.0	-36.7
Other Basic Needs	2,557.9	2,718.6	160.7	6.3
Child Care	418.4	745.3	326.9	78.1
Work Support	89.5	108.2	18.6	20.8
Child Welfare	1,048.5	1,683.2	634.7	60.5
Other Welfare-Related Services	191.6	195.6	3.9	2.0
Non-Cash Subtotal	4,306.0	5,450.8	1,144.8	26.6
Total	7,214.4	7,293.2	78.8	1.1

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey, RIG/Brookings analysis of data provided by GAO

Colorado State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	144.9	58.6	-86.3	-59.6
Other Basic Needs	155.2	217.0	61.8	39.8
Child Care	45.0	84.1	39.1	86.9
Work Support	9.7	344.6	334.9	3,447.7
Child Welfare	199.7	268.4	68.7	34.4
Other Welfare-Related Services	37.8	48.3	10.6	28.0
Non-Cash Subtotal	447.4	962.4	515.0	115.1
Total	592.3	1,020.9	428.7	72.4
<u>Federal Spending</u>				
Cash Assistance	77.4	32.2	-45.2	-58.4
Other Basic Needs	120.5	145.6	25.1	20.8
Child Care	24.4	33.2	8.8	35.8
Work Support	6.9	10.9	3.9	56.8
Child Welfare	93.5	80.9	-12.6	-13.5
Other Welfare-Related Services	24.7	30.2	5.5	22.1
Non-Cash Subtotal	270.1	300.8	30.7	11.3
Total	347.5	333.0	-14.5	-4.2
<u>State Spending</u>				
Cash Assistance	67.5	26.4	-41.2	-61.0
Other Basic Needs	34.7	71.4	36.7	105.9
Child Care	20.6	50.9	30.3	147.6
Work Support	2.8	333.7	330.9	11,888.4
Child Welfare	106.2	187.5	81.3	76.5
Other Welfare-Related Services	13.0	18.1	5.1	39.1
Non-Cash Subtotal	177.2	661.6	484.4	273.3
Total	244.8	688.0	443.2	181.1

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: RIG/Brookings analysis of data provided by GAO

Connecticut State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	441.6	238.8	-202.8	-45.9
Other Basic Needs	457.4	427.2	-30.2	-6.6
Child Care	82.6	179.7	97.2	117.7
Work Support	135.0	164.3	29.3	21.7
Child Welfare	155.2	217.7	62.5	40.3
Other Welfare-Related Services	106.3	175.4	69.1	64.9
Non-Cash Subtotal	936.5	1,164.3	227.8	24.3
Total	1,378.1	1,403.1	25.0	1.8
<u>Federal Spending</u>				
Cash Assistance	198.1	171.1	-27.0	-13.6
Other Basic Needs	204.5	195.5	-9.0	-4.4
Child Care	37.3	74.4	37.1	99.6
Work Support	77.0	82.1	5.1	6.6
Child Welfare	78.8	111.7	32.9	41.7
Other Welfare-Related Services	33.3	33.2	-0.1	-0.4
Non-Cash Subtotal	430.9	496.9	66.0	15.3
Total	629.1	668.0	39.0	6.2
<u>State Spending</u>				
Cash Assistance	243.4	67.7	-175.8	-72.2
Other Basic Needs	252.9	231.7	-21.2	-8.4
Child Care	45.3	105.3	60.0	132.6
Work Support	58.0	82.2	24.2	41.7
Child Welfare	76.3	105.9	29.6	38.8
Other Welfare-Related Services	73.0	142.2	69.2	94.8
Non-Cash Subtotal	505.5	667.4	161.8	32.0
Total	749.0	735.0	-13.9	-1.9

Note: Includes TANF, TANF-MOE, plus other federal and state funds
Source: RIG/Brookings analysis of data provided by GAO

District of Columbia State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	127.6	81.7	-45.8	-35.9
Other Basic Needs	46.9	36.3	-10.5	-22.5
Child Care	29.9	60.8	30.9	103.4
Work Support	31.3	34.6	3.3	10.5
Child Welfare	79.3	146.0	66.7	84.2
Other Welfare-Related Services	49.7	53.2	3.5	7.0
Non-Cash Subtotal	237.0	330.9	93.9	39.6
Total	364.6	412.6	48.0	13.2
<u>Federal Spending</u>				
Cash Assistance	63.9	31.3	-32.6	-51.0
Other Basic Needs	18.3	23.6	5.3	29.3
Child Care	6.1	36.7	30.6	499.0
Work Support	18.8	30.5	11.7	62.5
Child Welfare	19.8	48.8	29.0	146.7
Other Welfare-Related Services	13.0	14.7	1.7	13.0
Non-Cash Subtotal	76.0	154.4	78.4	103.1
Total	139.9	185.7	45.8	32.7
<u>State Spending</u>				
Cash Assistance	63.7	50.4	-13.2	-20.8
Other Basic Needs	28.6	12.7	-15.9	-55.5
Child Care	23.8	24.1	0.3	1.3
Work Support	12.5	4.1	-8.4	-67.4
Child Welfare	59.5	97.2	37.7	63.4
Other Welfare-Related Services	36.7	38.5	1.8	4.9
Non-Cash Subtotal	161.0	176.5	15.5	9.6
Total	224.7	227.0	2.3	1.0

Note: Includes TANF, TANF-MOE, plus other federal and state funds
Source: Social Services Spending Survey

Louisiana State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	165.8	98.1	-67.8	-40.9
Other Basic Needs	314.5	350.0	35.6	11.3
Child Care	46.5	127.1	80.7	173.6
Work Support	63.7	87.1	23.4	36.8
Child Welfare	150.6	191.8	41.2	27.4
Other Welfare-Related Services	52.9	68.3	15.4	29.1
Non-Cash Subtotal	628.2	824.5	196.3	31.3
Total	794.0	922.5	128.6	16.2
<u>Federal Spending</u>				
Cash Assistance	113.7	39.9	-73.8	-64.9
Other Basic Needs	280.5	315.9	35.4	12.6
Child Care	37.6	108.5	70.9	188.6
Work Support	46.4	82.0	35.6	76.7
Child Welfare	103.2	107.7	4.4	4.3
Other Welfare-Related Services	35.0	41.7	6.6	19.0
Non-Cash Subtotal	502.7	655.8	153.0	30.4
Total	616.5	695.7	79.2	12.8
<u>State Spending</u>				
Cash Assistance	52.1	58.2	6.1	11.6
Other Basic Needs	34.0	34.1	0.2	0.5
Child Care	8.9	18.6	9.7	109.7
Work Support	17.3	5.2	-12.1	-70.2
Child Welfare	47.4	84.2	36.8	77.7
Other Welfare-Related Services	17.9	26.7	8.8	48.9
Non-Cash Subtotal	125.4	168.7	43.3	34.5
Total	177.5	226.9	49.4	27.8

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: RIG/Brookings analysis of data provided by GAO

Maryland State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	324.3	146.4	-177.9	-54.9
Other Basic Needs	316.4	359.8	43.5	13.7
Child Care	82.7	120.7	38.0	45.9
Work Support	92.6	151.9	59.3	64.1
Child Welfare	241.5	308.7	67.2	27.8
Other Welfare-Related Services	199.9	257.1	57.2	28.6
Non-Cash Subtotal	933.0	1,198.3	265.2	28.4
Total	1,257.4	1,344.7	87.3	6.9
<u>Federal Spending</u>				
Cash Assistance	157.4	77.7	-79.7	-50.6
Other Basic Needs	162.5	202.0	39.5	24.3
Child Care	40.2	81.9	41.7	103.8
Work Support	89.8	115.7	26.0	28.9
Child Welfare	107.0	134.6	27.6	25.8
Other Welfare-Related Services	41.7	69.1	27.4	65.7
Non-Cash Subtotal	441.2	603.4	162.2	36.8
Total	598.6	681.1	82.6	13.8
<u>State Spending</u>				
Cash Assistance	167.0	68.7	-98.2	-58.8
Other Basic Needs	153.9	157.8	3.9	2.5
Child Care	42.5	38.8	-3.7	-8.8
Work Support	2.8	36.2	33.4	1,177.1
Child Welfare	134.4	174.1	39.6	29.5
Other Welfare-Related Services	158.2	187.9	29.8	18.8
Non-Cash Subtotal	491.8	594.8	103.0	20.9
Total	658.8	663.6	4.8	0.7

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey, RIG/Brookings analysis of data provided by GAO

Michigan State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	1,101.5	525.9	-575.7	-52.3
Other Basic Needs	1,064.3	1,095.9	31.7	3.0
Child Care	399.1	864.6	465.4	116.6
Work Support	642.0	743.1	101.1	15.7
Child Welfare	287.1	417.3	130.2	45.3
Other Welfare-Related Services	431.2	494.1	62.9	14.6
Non-Cash Subtotal	2,823.8	3,614.9	791.2	28.0
Total	3,925.3	4,140.8	215.5	5.5
<u>Federal Spending</u>				
Cash Assistance	591.1	159.0	-432.1	-73.1
Other Basic Needs	618.4	611.7	-6.7	-1.1
Child Care	335.4	686.8	351.3	104.7
Work Support	216.3	300.9	84.6	39.1
Child Welfare	114.1	190.0	75.9	66.5
Other Welfare-Related Services	132.2	172.0	39.8	30.1
Non-Cash Subtotal	1,416.4	1,961.4	545.0	38.5
Total	2,007.5	2,120.4	112.8	5.6
<u>State Spending</u>				
Cash Assistance	510.4	366.9	-143.5	-28.1
Other Basic Needs	445.9	484.2	38.3	8.6
Child Care	63.7	177.8	114.1	179.2
Work Support	425.8	442.2	16.5	3.9
Child Welfare	173.0	227.3	54.2	31.3
Other Welfare-Related Services	299.0	322.1	23.1	7.7
Non-Cash Subtotal	1,407.3	1,653.5	246.2	17.5
Total	1,917.7	2,020.4	102.7	5.4

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: RIG/Brookings analysis of data provided by GAO

Minnesota State Social Service Spending

	1995	1999	Change	% Change
	(\$ millions)			
<u>Federal and State Spending Combined</u>				
Cash Assistance	394.6	228.2	-166.3	-42.2
Other Basic Needs	606.9	511.1	-95.8	-15.8
Child Care	79.8	175.7	95.8	120.0
Work Support	169.2	231.7	62.5	36.9
Child Welfare	126.0	176.8	50.8	40.3
Other Welfare-Related Services	92.4	122.1	29.6	32.1
Non-Cash Subtotal	1,074.4	1,217.3	142.9	13.3
Total	1,469.0	1,445.5	-23.5	-1.6
<u>Federal Spending</u>				
Cash Assistance	193.0	114.8	-78.2	-40.5
Other Basic Needs	182.8	162.1	-20.6	-11.3
Child Care	40.7	54.4	13.8	33.8
Work Support	68.1	83.2	15.1	22.2
Child Welfare	85.5	102.9	17.4	20.3
Other Welfare-Related Services	32.0	38.6	6.7	20.9
Non-Cash Subtotal	408.9	441.2	32.3	7.9
Total	601.9	556.0	-45.9	-7.6
<u>State Spending</u>				
Cash Assistance	201.6	113.5	-88.1	-43.7
Other Basic Needs	424.2	348.9	-75.2	-17.7
Child Care	39.2	121.2	82.1	209.5
Work Support	101.2	148.5	47.3	46.8
Child Welfare	40.5	73.9	33.4	82.5
Other Welfare-Related Services	60.4	83.4	23.0	38.0
Non-Cash Subtotal	665.5	776.0	110.6	16.6
Total	867.0	889.5	22.5	2.6

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey

New York State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	4,150.4	2,530.1	-1,620.3	-39.0
Other Basic Needs	2,919.5	2,503.3	-416.2	-14.3
Child Care	475.8	735.9	260.1	54.7
Work Support	1,115.7	1,371.7	256.0	22.9
Child Welfare	1,811.4	1,490.8	-320.6	-17.7
Other Welfare-Related Services	718.0	651.4	-66.5	-9.3
Non-Cash Subtotal	7,040.4	6,753.1	-287.3	-4.1
Total	11,190.8	9,283.2	-1,907.6	-17.0
<u>Federal Spending</u>				
Cash Assistance	1,491.4	1,002.9	-488.5	-32.8
Other Basic Needs	1,395.8	1,229.5	-166.3	-11.9
Child Care	193.5	303.3	109.8	56.7
Work Support	213.9	213.0	-0.9	-0.4
Child Welfare	891.5	666.7	-224.7	-25.2
Other Welfare-Related Services	122.6	134.8	12.1	9.9
Non-Cash Subtotal	2,817.3	2,547.4	-270.0	-9.6
Total	4,308.7	3,550.2	-758.5	-17.6
<u>State Spending</u>				
Cash Assistance	2,659.0	1,527.2	-1,131.8	-42.6
Other Basic Needs	1,523.7	1,273.8	-249.9	-16.4
Child Care	282.3	432.6	150.3	53.2
Work Support	901.7	1,158.6	256.9	28.5
Child Welfare	920.0	824.1	-95.9	-10.4
Other Welfare-Related Services	595.3	516.6	-78.7	-13.2
Non-Cash Subtotal	4,223.1	4,205.7	-17.3	-0.4
Total	6,882.1	5,733.0	-1,149.1	-16.7

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: RIG/Brookings analysis of data provided by GAO

Ohio State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	875.4	437.5	-437.9	-50.0
Other Basic Needs	197.4	231.0	33.7	17.1
Child Care	119.8	251.2	131.4	109.7
Work Support	94.4	166.6	72.2	76.5
Child Welfare	197.5	331.4	133.9	67.8
Other Welfare-Related Services	105.5	234.6	129.2	122.5
Non-Cash Subtotal	714.5	1,214.9	500.3	70.0
Total	1,590.0	1,652.4	62.4	3.9
<u>Federal Spending</u>				
Cash Assistance	531.6	127.8	-403.8	-76.0
Other Basic Needs	175.5	195.7	20.1	11.5
Child Care	61.4	176.7	115.3	187.8
Work Support	93.8	87.1	-6.7	-7.1
Child Welfare	142.4	237.4	95.0	66.7
Other Welfare-Related Services	76.1	169.5	93.3	122.5
Non-Cash Subtotal	549.3	866.4	317.1	57.7
Total	1,080.9	994.2	-86.8	-8.0
<u>State Spending</u>				
Cash Assistance	343.8	309.7	-34.1	-9.9
Other Basic Needs	21.8	35.4	13.5	61.9
Child Care	58.4	74.6	16.2	27.6
Work Support	0.6	79.4	78.9	14,282.8
Child Welfare	55.1	93.9	38.8	70.5
Other Welfare-Related Services	29.3	65.2	35.9	122.3
Non-Cash Subtotal	165.2	348.5	183.3	110.9
Total	509.0	658.2	149.2	29.3

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey

Oregon State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	195.1	86.2	-108.9	-55.8
Other Basic Needs	179.4	220.9	41.5	23.1
Child Care	60.6	81.4	20.8	34.2
Work Support	62.8	90.7	27.9	44.4
Child Welfare	167.7	225.2	57.5	34.3
Other Welfare-Related Services	105.7	119.1	13.3	12.6
Non-Cash Subtotal	576.3	737.2	160.9	27.9
Total	771.3	823.4	52.1	6.8
<u>Federal Spending</u>				
Cash Assistance	121.2	69.0	-52.3	-43.1
Other Basic Needs	162.4	191.3	28.9	17.8
Child Care	33.9	63.0	29.1	85.7
Work Support	53.9	70.9	17.0	31.4
Child Welfare	90.4	115.1	24.7	27.4
Other Welfare-Related Services	46.0	47.2	1.2	2.6
Non-Cash Subtotal	386.6	487.5	100.9	26.1
Total	507.9	556.5	48.6	9.6
<u>State Spending</u>				
Cash Assistance	73.8	17.2	-56.6	-76.7
Other Basic Needs	17.0	29.6	12.6	74.1
Child Care	26.7	18.4	-8.3	-31.2
Work Support	8.9	19.8	10.9	123.7
Child Welfare	77.4	110.1	32.7	42.3
Other Welfare-Related Services	59.8	71.9	12.1	20.3
Non-Cash Subtotal	189.6	249.7	60.1	31.7
Total	263.4	266.9	3.5	1.3

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: RIG/Brookings analysis of data provided by GAO

Rhode Island State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	122.8	108.0	-14.8	-12.1
Other Basic Needs	36.4	65.6	29.2	80.2
Child Care	13.1	34.5	21.4	163.9
Work Support	5.7	5.4	-0.3	-5.0
Child Welfare	67.0	74.7	7.8	11.6
Other Welfare-Related Services	31.3	28.3	-3.0	-9.6
Non-Cash Subtotal	153.5	208.6	55.1	35.9
Total	276.4	316.6	40.2	14.6
<u>Federal Spending</u>				
Cash Assistance	68.7	67.4	-1.3	-1.8
Other Basic Needs	14.1	30.5	16.4	116.0
Child Care	7.8	15.5	7.7	98.8
Work Support	3.8	3.6	-0.3	-6.9
Child Welfare	17.8	22.1	4.3	24.3
Other Welfare-Related Services	10.1	8.9	-1.3	-12.3
Non-Cash Subtotal	53.6	80.5	26.9	50.1
Total	122.4	148.0	25.6	20.9
<u>State Spending</u>				
Cash Assistance	54.1	40.5	-13.6	-25.1
Other Basic Needs	22.3	35.2	12.8	57.5
Child Care	5.3	19.0	13.7	260.7
Work Support	1.9	1.9	0.0	-1.2
Child Welfare	49.2	52.7	3.4	7.0
Other Welfare-Related Services	21.2	19.4	-1.8	-8.3
Non-Cash Subtotal	99.9	128.1	28.2	28.2
Total	154.0	168.6	14.6	9.5

Note: Includes TANF, TANF-MOE, plus other federal and state funds
Source: Social Services Spending Survey

Tennessee State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	179.0	108.3	-70.7	-39.5
Other Basic Needs	401.8	413.9	12.1	3.0
Child Care	67.3	156.4	89.0	132.3
Work Support	66.3	158.8	92.5	139.5
Child Welfare	195.4	134.3	-61.1	-31.3
Other Welfare-Related Services	59.4	111.7	52.3	88.0
Non-Cash Subtotal	790.2	975.1	184.9	23.4
Total	969.3	1,083.4	114.2	11.8
<u>Federal Spending</u>				
Cash Assistance	117.3	77.1	-40.1	-34.2
Other Basic Needs	332.6	351.1	18.5	5.6
Child Care	51.5	128.3	76.8	149.3
Work Support	61.4	128.7	67.4	109.7
Child Welfare	93.9	55.9	-38.0	-40.5
Other Welfare-Related Services	26.7	49.2	22.5	84.3
Non-Cash Subtotal	566.1	713.2	147.1	26.0
Total	683.4	790.3	106.9	15.6
<u>State Spending</u>				
Cash Assistance	61.7	31.1	-30.6	-49.5
Other Basic Needs	69.2	62.8	-6.4	-9.2
Child Care	15.9	28.1	12.2	77.2
Work Support	4.9	30.1	25.2	511.0
Child Welfare	101.5	78.4	-23.0	-22.7
Other Welfare-Related Services	32.7	62.5	29.8	91.1
Non-Cash Subtotal	224.1	261.9	37.8	16.9
Total	285.9	293.1	7.2	2.5

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey supplemented with substantial information from budget documents

Texas State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	487.1	228.0	-259.1	-53.2
Other Basic Needs	934.8	1,032.3	97.5	10.4
Child Care	375.4	563.6	188.2	50.1
Work Support	224.4	611.8	387.4	172.7
Child Welfare	473.7	543.0	69.3	14.6
Other Welfare-Related Services	421.1	568.0	146.9	34.9
Non-Cash Subtotal	2,429.4	3,318.8	889.4	36.6
Total	2,916.5	3,546.8	630.3	21.6
<u>Federal Spending</u>				
Cash Assistance	294.8	110.0	-184.7	-62.7
Other Basic Needs	810.9	902.3	91.3	11.3
Child Care	151.4	246.4	95.1	62.8
Work Support	162.5	540.1	377.6	232.3
Child Welfare	212.9	313.3	100.4	47.2
Other Welfare-Related Services	215.3	252.8	37.6	17.4
Non-Cash Subtotal	1,553.0	2,254.9	702.0	45.2
Total	1,847.8	2,365.0	517.2	28.0
<u>State Spending</u>				
Cash Assistance	192.3	118.0	-74.3	-38.7
Other Basic Needs	123.8	130.0	6.2	5.0
Child Care	224.0	317.2	93.2	41.6
Work Support	61.9	71.7	9.8	15.9
Child Welfare	260.9	229.7	-31.1	-11.9
Other Welfare-Related Services	205.8	315.1	109.3	53.1
Non-Cash Subtotal	876.4	1,063.8	187.4	21.4
Total	1,068.7	1,181.8	113.1	10.6

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: RIG/Brookings analysis of data provided by GAO

Virginia State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	250.0	125.3	-124.7	-49.9
Other Basic Needs	181.3	248.0	66.6	36.8
Child Care	49.4	111.1	61.7	124.8
Work Support	14.1	12.1	-2.1	-14.5
Child Welfare	148.4	327.8	179.4	120.9
Other Welfare-Related Services	153.9	213.7	59.9	38.9
Non-Cash Subtotal	547.1	912.7	365.5	66.8
Total	797.1	1,038.0	240.9	30.2
<u>Federal Spending</u>				
Cash Assistance	114.9	68.0	-46.9	-40.8
Other Basic Needs	169.6	207.3	37.8	22.3
Child Care	28.1	42.0	14.0	49.7
Work Support	7.4	9.0	1.7	22.7
Child Welfare	44.4	129.4	85.0	191.7
Other Welfare-Related Services	34.3	44.3	10.0	29.1
Non-Cash Subtotal	283.7	432.1	148.4	52.3
Total	398.7	500.1	101.4	25.4
<u>State Spending</u>				
Cash Assistance	135.0	57.3	-77.7	-57.6
Other Basic Needs	11.7	40.6	28.9	245.9
Child Care	21.4	69.1	47.7	223.5
Work Support	6.8	3.0	-3.7	-55.1
Child Welfare	104.0	198.4	94.4	90.7
Other Welfare-Related Services	119.5	169.4	49.9	41.7
Non-Cash Subtotal	263.4	480.6	217.2	82.4
Total	398.5	537.9	139.4	35.0

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey

Wisconsin State Social Service Spending

	<i>1995</i>	<i>1999</i>	<i>Change</i>	<i>% Change</i>
	<i>(\$ millions)</i>			
<u>Federal and State Spending Combined</u>				
Cash Assistance	352.9	73.5	-279.4	-79.2
Other Basic Needs	376.0	477.4	101.4	27.0
Child Care	54.6	174.4	119.8	219.4
Work Support	112.2	201.6	89.4	79.7
Child Welfare	85.9	200.8	114.9	133.8
Other Welfare-Related Services	100.6	111.5	10.9	10.8
Non-Cash Subtotal	729.2	1,165.6	436.4	59.8
Total	1,082.1	1,239.2	157.0	14.5
<u>Federal Spending</u>				
Cash Assistance	213.0	29.6	-183.4	-86.1
Other Basic Needs	123.1	196.6	73.5	59.7
Child Care	33.6	146.8	113.2	336.8
Work Support	33.7	87.7	54.0	159.9
Child Welfare	50.3	110.6	60.3	119.9
Other Welfare-Related Services	32.9	48.8	15.8	48.1
Non-Cash Subtotal	273.6	590.5	316.9	115.8
Total	486.6	620.1	133.5	27.4
<u>State Spending</u>				
Cash Assistance	139.9	43.9	-96.0	-68.6
Other Basic Needs	252.9	280.8	27.8	11.0
Child Care	21.0	27.6	6.6	31.4
Work Support	78.4	113.9	35.5	45.2
Child Welfare	35.6	90.2	54.6	153.4
Other Welfare-Related Services	67.7	62.7	-4.9	-7.3
Non-Cash Subtotal	455.6	575.1	119.5	26.2
Total	595.5	619.1	23.5	4.0

Note: Includes TANF, TANF-MOE, plus other federal and state funds

Source: Social Services Spending Survey, RIG/Brookings analysis of data provided by GAO

Survey Documents

General Instructions

Thank you for agreeing to complete the State Social Service Spending Survey.

1. Include expenditures or estimated expenditures only (not amounts budgeted or authorized).
2. Provide expenditures for state fiscal years 1994-95, 1998-99, and 1999-00 (not the federal fiscal year).
3. Include all federal, state and local expenditures *that are incorporated in the state budget*. For local expenditures, include spending of locally raised revenue that is incorporated in the state budget.
4. Include TANF and MOE expenditures, as well as expenditures from any other funding source for each program. Please include *all* TANF spending; if some expenditures do not fit into one of the specific program categories, please include them in one of the lines labeled “other.”
5. Do not include capital expenditures.
6. Do not include separately identified administrative or management information systems expenditures, but do include administrative expenditures that are incorporated in relevant program expenditures.
7. Identify funding streams included in the columns labeled “Other” on a separate sheet.
8. For columns labeled “SSBG” (Social Services Block Grant): If you cannot isolate spending on individual programs, please either estimate these amounts, or give totals and attach a sheet explaining the general areas in which SSBG funds are spent. Also, where TANF has been transferred to SSBG, please count it as SSBG spending, but note separately how much TANF money was transferred.
9. There are separate forms and instructions for reporting child care and health care expenditures.

Glossary of column headings:

IV-A: Former Aid to Families with Dependent Children (AFDC) program

IV-F: Former Job Opportunities and Basic Skills (JOBS) program

SSBG: Social Services Block Grant

TANF: Temporary Assistance to Needy Families

TANF-MOE: TANF Maintenance of Effort

MOE-SSP: Maintenance of Effort – Separate State Programs

Definitions Pertaining to Survey Forms

[NOTE: The body of the report aggregates individual line items into categories that differ somewhat from the categories given below.]

Cash Assistance/Basic Needs

Line 1a: cash assistance.

Include expenditures on cash payments or vouchers provided to families to meet ongoing, basic needs, net of child support collections. Any cash assistance program that was formerly funded by IV-A should be included here.

(Note: This definition is adapted from the definition of basic assistance in line 5a of the ACF-196 Financial Report.)

Line 1b: child support payments.

Include all child support collections from noncustodial parents that are passed on to custodial parents who are receiving cash assistance through TANF, in excess of \$50 per monthly payment.

Line 1c: SSI supplements.

Include expenditures on state supplementation of the federal Supplemental Security Income program. Do not include federal expenditures.

Line 1d: diversion payments.

Include expenditures on nonrecurrent, short-term benefits to families in the form of cash payments, vouchers, or similar form of payment to deal with a specific crisis situation or episode of need. An example is an emergency rent payment to prevent eviction.

(Note: this definition is adapted from the definition of diversion payments in line 6g of the ACF-196 Financial Report.)

Line 1e: emergency assistance.

Include all expenditures for emergency assistance (the former IV-A program), including prevention of eviction, utility cut-off, etc. If known, please identify on a separate sheet how emergency assistance funds are allocated.

Line 1f: food assistance.

Include expenditures on programs designed to provide food or nutritional assistance to low-income people. Please include state administrative expenses for Food Stamps. If known, please also provide federal expenditures on Food Stamps in your state fiscal year.

Line 1g: housing assistance.

Include expenditures on programs designed to provide housing assistance to low-income people, such as vouchers, state low-income housing tax credits, or any other state support for low-income housing efforts.

Line 1h: other.

Include expenditures on any other programs that meet a basic need that are not included above. Please describe such programs on an attached sheet.

Support for Working Poor

Line 2a: education.

Include expenditures on educational activities that prepare recipients for work. For example, include secondary education (including alternative programs); adult education, GED, and ESL classes; education directly related to employment; education provided as vocational educational training; and post-secondary education. Include education programs that are delivered to the general public and not defined as a poverty prevention initiative only to the extent they are funded by TANF and TANF MOE.

(Note: This definition is adapted from the definition of education in line 6a2 of the ACF-196 Financial Report.)

Line 2b: training.

Include expenditures on programs to prepare people who are not yet working with skills to make them employable. Examples include skills development programs, community service placements, etc.

Line 2c: post-employment services.

Include expenditures on programs designed to keep people employed after they have found employment. Examples include coaching to ensure that individuals arrive at work on time, counseling to address problems that may arise in the workplace, and any other case management services for this working population. If known, please include spending for on-the-job training.

Line 2d: provider profits.

Include all bonuses, incentive payments or profits to contractors for provision of services to low-income people.

Line 2e: transportation.

Include the value of transportation benefits (such as allowances, bus tokens, car payments, auto insurance reimbursement, and van services) provided to employed families (related either to their work or related job retention and advancement activities) and provided as a nonrecurring, short-term benefit to non-working families (e.g. during applicant job search). (Note: this definition is adapted from the definition of transportation in line 6c of the ACF-196 Financial Report.)

Line 2f & 2g: state EITC (refundable and non-refundable).

Include expenditures on state earned income tax credits paid to families. Include state and local tax credits that are designed to defray the costs of employment for low-income families.

Line 2h: wage subsidies.

Include payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, or training. Also include any wage-related tax credits that benefit employers.

(Note: This definition is adapted from the definition of work subsidies in line 6a1 of the ACF-196 Financial Report.)

Line 2i: other.

Include expenditures on any other programs related to work preparation, education and retention that are not included above. Please describe such programs on an attached sheet.

Other TANF Related Social Services

Line 3a: child welfare.

Include expenditures on adoption assistance, foster care, and independent living programs; on any program intended to prevent out-of-home placements, promote reunification of families, or provide a safe environment for children; and on programs that focus on child abuse prevention and neglect prevention. Examples of expenditures include using funds for family counseling; parent support programs; appropriate supportive services (e.g., referral services, child care, transportation, and respite care) to caregiver relatives who can provide a safe place for a needy child to live and avoid his or her placement in foster care; and screening families for risk of child abuse or neglect and providing case management. (Note: Any cash assistance program that was formerly funded by IV-A, such as cash assistance to needy caretaker relatives, should be included in the “cash assistance” category.)

Line 3b: juvenile justice programs.

Include expenditures on social service programs for youth who have violated the state juvenile code. Do not include institutional spending.

Line 3c: other child protection/juvenile justice programs.

Include expenditures on any other programs related to child protection/juvenile justice that are not included above. Please describe such programs on an attached sheet.

Line 3d: family formation and pregnancy prevention.

Include expenditures on programs aimed to keep families together, prevent teen pregnancy and prevent single parenthood. Examples of program expenditures are: responsible fatherhood initiatives that will improve the capacity of needy fathers to provide financial and emotional support for their children; premarital and marriage counseling, and mediation services; counseling services or classes that focus on teen pregnancy prevention; media campaigns to encourage young people to delay parenting or to encourage fathers to play a responsible role in their children's lives; and incentives for single parents to marry or for two-parent families to stay together.

(Note: this definition is identical to the section in ACF's “Helping Families Achieve Self-Sufficiency” guide entitled, “Appropriate Uses of Funds/Family Formation and Pregnancy Prevention.”)

Line 3e: substance abuse prevention and treatment.

Include expenditures on programs aimed to prevent alcohol, drug and tobacco abuse and to provide intervention services to individuals with alcohol, drug and/or tobacco dependency in their families. Examples of prevention programs are media campaigns, educational programs and community-based planning programs. Examples of expenditures on treatment include counseling, treatment facilities, and outpatient medical care (not funded by Medicaid).

Line 3f: other poverty prevention programs.

Include expenditures on any other programs related to poverty prevention that are not included above. Please describe such programs on an attached sheet.

Other Social Services

Line 4a: developmental disabilities.

Include expenditures on programs that provide services to individuals with developmental disabilities and their families, including outpatient care and public education, but excluding institutional facilities.

Line 4b: mental health services.

Include expenditures on programs that provide prevention and/or intervention services to the mentally ill and their families, including outpatient care and public education, but excluding institutional care.

Line 4c: services to seniors.

Include expenditures on social service programs for senior citizens. (Do not include medical services.)

Line 4d: other.

Include expenditures on social service programs not included in the above categories.

Survey Forms

1994-95 Expenditures

NOTE: The body of the report aggregates individual line items into categories that differ somewhat from the categories given below.

State Fiscal Year 1994-95 RIG Social Services Spending Survey								
	Federal Expenditures				State Expenditures			Local Exp
	I IV-A	II IV-F	III SSBG	IV Other	V IV-A	VI IV-F	VII Other	VIII IV-A
1 Cash Assistance/Basic Needs								
a) cash assistance								
b) child support pass through (>\$50)								
c) SSI supplements								
d) diversion payments								
e) emergency assistance								
f) food assistance								
g) housing assistance								
h) other (specify)								
subtotal								
2 Support for Working Poor								
a) education								
b) training								
c) post-employment services								
d) provider profits								
e) transportation								
f) state eic - refundable								
g) state eic - nonrefundable								
h) wage subsidies								
i) other								
subtotal								
3 Other TANF Related Social Services								
a) child welfare								
b) juvenile justice programs (non-institutional)								
c) other child protection/juvenile justice programs								
d) family formation / preg. prev.								
e) substance abuse prev. & treat.								
f) other poverty prevention programs (specify)								
subtotal								
4 Other Social Services								
a) developmental disabilities (excluding long-term care)								
b) mental health services (excluding long-term care)								
c) services to seniors (NOTE: NOT INCLUDED IN REPORT ANALYSIS)								
d) other (specify)								
subtotal								
Total								

File Name: Rockefeller Survey Forms (11/01)

1998-99 Expenditures

NOTE: The body of the report aggregates individual line items into categories that differ somewhat from the categories given below.

State Fiscal Year 1998-99 RIG Social Services Spending Survey						
	Federal Expenditures			State expenditures		
	I TANF	II SSBG	III Other	IV TANF-MOE	V MOE-SSP	VI Other
1 Cash Assistance/Basic Needs						
a) cash assistance						
b) child support pass through (>\$50)						
c) SSI supplements						
d) diversion payments						
e) emergency assistance						
f) food assistance						
g) housing assistance						
h) other (specify)						
subtotal						
2 Support for Working Poor						
a) education						
b) training						
c) post-employment services						
d) provider profits						
e) transportation						
f) state eitc - refundable						
g) state eitc - nonrefundable						
h) wage subsidies						
I) other						
subtotal						
3 Other TANF Related Social Services						
a) child welfare						
b) juvenile justice programs (non-institutional)						
c) other child protection/juvenile justice programs						
d) family formation / preg. prev.						
e) substance abuse prev. & treat.						
f) other poverty prevention programs (specify)						
subtotal						
4 Other Social Services						
a) developmental disabilities (excluding long-term care)						
b) mental health services (excluding long-term care)						
c) services to seniors (NOTE: NOT INCLUDED IN REPORT ANALYSIS)						
d) other (specify)						
subtotal						
total						

File Name: Rockefeller Survey Forms (11/01)

1999-2000 Expenditures

NOTE: The body of the report aggregates individual line items into categories that differ somewhat from the categories given below.

State Fiscal Year 1999-00 RIG Social Services Spending Survey						
	Federal Expenditures			State expenditures		
	I TANF	II SSBG	III Other	IV TANF-MOE	V MOE-SSP	VI Other
1 Cash Assistance/Basic Needs						
a) cash assistance						
b) child support pass through (>\$50)						
c) SSI supplements						
d) diversion payments						
e) emergency assistance						
f) food assistance						
g) housing assistance						
h) other (specify)						
subtotal						
2 Support for Working Poor						
a) education						
b) training						
c) post-employment services						
d) provider profits						
e) transportation						
f) state eitc - refundable						
g) state eitc - nonrefundable						
h) wage subsidies						
l) other						
subtotal						
3 Other TANF Related Social Services						
a) child welfare						
b) juvenile justice programs (non-institutional)						
c) other child protection/juvenile justice programs						
d) family formation / preg. prev.						
e) substance abuse prev. & treat.						
f) other poverty prevention programs (specify)						
subtotal						
4 Other Social Services						
a) developmental disabilities (excluding long-term care)						
b) mental health services (excluding long-term care)						
c) services to seniors (NOTE: NOT INCLUDED IN REPORT ANALYSIS)						
d) other (specify)						
subtotal						
total						

File Name: Rockefeller Survey Forms (11/01)

Child Care

Child Care/Child Development Spending

Instructions: Include expenditures on any child care or child development program, either custodial or educational, in-home or out-of-home, aimed at either working or non-working people, including pre-K programs, vouchers for child care, state expenditures on Head Start, and subsidies to child care centers. Include programs for both TANF and non-TANF populations. Please identify each program in the spaces provided and identify their funding streams. Please provide eligibility criteria and caseload info on an attached sheet.

SFY 1994-95 Child Care/Child Development Spending

Program Names	Federal Expenditures		State Expenditures	TOTALS
	CCDBG	Other		
				-
				-
				-
TOTALS	-	-	-	-

SFY 1998-99 Child Care/Child Development Spending

Program Names	Federal Expenditures		State Expenditures		
	CCDF	Other	CCDF-MOE	CCDF-MATCH	Other
TOTALS	-	-	-	-	-

SFY 1999-00 Child Care/Child Development Spending

Program Names	Federal Expenditures		State Expenditures		
	CCDF	Other	CCDF-MOE	CCDF-MATCH	Other
TOTALS	-	-	-	-	-

CCDBG - Child Care and Development Block Grant CCDF - Child Care Development Fund
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Health Care

NOTE: Health care expenditures were collected as an auxiliary to the main survey, and are not included in the definition of social service used in the body of the report, unless explicitly noted otherwise.

Health Care Spending

Instructions: Include expenditures on any health care program, excluding long-term care, that serves both the TANF and non-TANF-non-elderly populations. Please identify the eligibility criteria and caseload information for each program on a separate sheet of paper.

SFY 1994-1995 Health Care Spending

Program Names	Federal Expenditures		State Expenditures		TOTALS
	Title XIX	Other	Title XIX	Other	
					-
					-
					-
					-
					-
TOTALS	-	-	-	-	-

SFY 1998-99 Health Care Spending

Program Names	Federal Expenditures			State Expenditures			TOTALS
	Title XIX	Title XXI	Other	Title XIX	Title XXI	Other	
							-
							-
							-
							-
							-
TOTALS	-	-	-	-	-	-	-

SFY 1999-00 Health Care Spending

Program Names	Federal Expenditures			State Expenditures			TOTALS
	Title XIX	Title XXI	Other	Title XIX	Title XXI	Other	
							-
							-
							-
							-
							-
TOTALS	-	-	-	-	-	-	-

Notes

¹ We also made considerable progress in collecting data from Florida, Georgia, and Missouri but despite significant efforts, the data were not complete enough to include in this report.

² We have defined some spending categories differently in this report than GAO did in its 2001 report, and we have aggregated some detailed data differently than GAO did. Differences in definitions are available on request.

³ For example, the Urban Institute has noted that some states use Medicaid funds to help support state child welfare spendings. See Green, Rob, Shelley Waters Boots, and Karen C. Tumlin, *The Cost of Protecting Vulnerable Children: Understanding Federal, State, and Local Child Welfare Spending*, Occasional Paper #20, The Urban Institute, 1999. As we discuss later, we believe any extensions of this survey should include Medicaid funding of non-health social services as this funding is potentially significant in the case of child welfare and possibly other functions.

⁴ The GAO collected data in ten states, three of which overlap, using our data collection forms and definitions. These states were California, Colorado, Connecticut, Louisiana, Maryland, Michigan, New York, Oregon, Texas and Wisconsin (we overlap in California, Maryland and Wisconsin). The Brookings Institution gathered data in Arizona, District of Columbia, Maryland, Ohio, Rhode Island and Virginia and the Institute or its field researchers collected information for California, Florida, Georgia, Minnesota, Missouri, Tennessee, and Wisconsin. Data obtained from Tennessee were supplemented with information from federal sources, due to the lack of sufficient accounting information for Tennessee, especially for the 1994-95 base year.

⁵ These trends are discussed in a forthcoming article by Donald J. Boyd in *Spectrum*, the magazine of the Council of State Governments.

⁶ We measure total state budget using data on total federal and state spending, excluding bond funds, from the National Association of State Budget Officers' *State Expenditure Report*, various years.

⁷ Throughout this report, when we adjust for inflation or speak of price changes, we use the state and local government chain-weighted price index from the U.S. Bureau of Economic Analysis, which increased by 9.9 percent between the 1995 and 1999 calendar years.

⁸ When we refer to the poverty population, for a majority of states we are using smoothed estimates of the poverty population, obtained by taking the three-year average poverty population centered on a given year, as obtained from the U.S. Bureau of the Census. For example, when examining spending in fiscal year 1994-95 we used an estimate of the 1994 calendar-year poverty population obtained by averaging reported poverty population for 1993 through 1995, and for fiscal year 1998-99 we used a similar average of the poverty population in the 1997 through 1999 calendar years. The Census Bureau develops poverty data from the Current Population Survey, which has a relatively small sample size, and even these smoothed estimates can be too bouncy to be believable in some states. In the states of Arizona, Colorado, Georgia, Missouri, New York, Rhode Island, and Wisconsin no reliable trend was apparent in the poverty data, and we used the average poverty population for 1993 through 1999 as our estimate of the poverty population in each year. Note that poverty data are not adjusted for cost-of-living differences across states, and for these and other reasons they are never more than crude approximations of poverty levels, rates, or differences across states. As a result of these weaknesses in poverty data, at several places in this report we examine changes in per-capita spending rather than changes in spending per poor-person, especially if per-capita analysis yields similar conclusions but with greater confidence.

⁹ Analysts have had difficulty separating the influence on caseloads of economic changes and policy changes. Stephen Bell (2001) argues that the impact of economic changes on caseloads is fairly clear, and that while policy changes may have contributed to caseload declines, research to date has not shown this convincingly.

¹⁰ Among other things, this reflects Rhode Island's "carrot" approach to welfare reform, which included a five-year limit on benefits and a benefit clock that does not start ticking until employment contracts are developed, which can take as long as two years. See Anton (2001) and Rowland (1999).

¹¹ Green Book 2000, Section 9.

¹² For an explanation of the requirements associated with the use of TANF and TANF MOE funds for housing assistance see Barbara Sard and Jeff Lubell, *The Increasing Use of TANF and State Matching Funds to Provide Housing Assistance to Families Moving from Welfare to Work*, Center on Budget and

Policy Priorities, February 2000 and Barbara Sard and Tim Harrison, *The Increasing Use of TANF and State Matching Funds to Provide Housing Assistance to Families Moving from Welfare to Work – 2001 Supplement*, Center of Budget and Policy Priorities, December 3, 2001.

¹³ See American Public Human Services Association (APHSA), *Building Bridges: States Respond to Substance Abuse and Welfare Reform*, August 1999.

¹⁴ Maryland and Ohio are excluded from the health spending analysis due to difficulties in obtaining comparable data.

¹⁵ The correlation between the percentage change in real per-capita spending on non-health social services and real per-capita own-source revenue growth is 0.48.

¹⁶ See, for example, the discussion of unspent balances in *TANF Spending in Federal Fiscal Year 2001* (March 2002) by Zoe Neuberger of the Center on Budget and Policy Priorities, which describes the start-up lags states faced in spending TANF funds, and efforts underway now on the part of states to spend down balances.

¹⁷ Mark Greenberg of the Center for Law and Social Policy has treated the TANF transfer to the Child Care and Development Fund as TANF child care spending. See Greenberg, Mark, *How are TANF Funds Being Used? The Story in FY 2000*, Prepared for National Association of State Budget Officers, Center on Law and Social Policy, August 14, 2001, revised October 2001.