DRAFT – NOT FOR CITATION

Program Redesign by States in the Wake of Welfare Reform: Making Sense of the Effects of Devolution

Alan Weil

The Urban Institute

September 1999

This paper was prepared for the "For Better and For Worse: State Welfare Reform and the Well-Being of Low-Income Families and Children" research conference sponsored by the Joint Center for Poverty Research in Washington, D.C., on September 16, 1999.

This paper is a product of the Urban Institute's Assessing the New Federalism project. The project has received funding from The Annie E. Casey Foundation, the W.K. Kellogg Foundation, The Robert Wood Johnson Foundation, The Henry J. Kaiser Family Foundation, The Ford Foundation, The John D. and Catherine T. MacArthur Foundation, the Charles Stewart Mott Foundation, The David and Lucile Packard Foundation, The McKnight Foundation, The Commonwealth Fund, the Stuart Foundation, the Weingart Foundation, The Fund for New Jersey, The Lynde and Harry Bradley Foundation, the Joyce Foundation, and The Rockefeller Foundation.

The author thanks Alyssa Wigton and Sarah Staveteig for their excellent research that contributed to this paper. The concepts presented here draw upon research and discussions that have occurred among the many Urban Institute researchers who have contributed to the Assessing the New Federalism project.

Devolution of authority over social programs creates a particular challenge for those attempting to assess the effects of this shift in the structure of American federalism. While the increased diversity among state policies may provide fertile ground for exploring the effects of individual policy interventions, that diversity does little to shed light on the broader question of the effects of devolution itself.

Assessing the New Federalism, as the Urban Institute has set out to do in a project by the same name, must call upon methods other than those used for program evaluation. This paper examines three reasons for state policy variation under devolution. It describes how each of these sources of variation can be analyzed to describe the effects of devolution. It then explores the uses and limitations of a typology of state responses to welfare reform. Finally, it looks at the longer term possibilities for understanding devolution.

I. Devolution's Potential

Debates over federalism began before the creation of the United States and continue to this day. In the great political debates surrounding formation of the union, arguments for centralization of authority or dispersion of that authority fell loosely into two categories: philosophical and functional. Philosophical arguments derive from the question: What does it mean to be a citizen of a nation? National leadership and unity are called for when coherence is an essential component of national identity. The most serious tests of the American federal system have arisen around the great moral issues of their times, such as slavery and civil rights.

Functional arguments derive from the question: What allocation of responsibility between the federal government and states will lead to the best outcomes? These arguments look at such matters as efficiency, effectiveness, experimentation, and inter-jurisdictional competition. While advocates draw upon the philosophies of federalism to support their case, their primary motivations are often functional. That is, for the advocate, federal or state leadership is called for depending upon whether the federal government or the states are seen as more likely to achieve the substantive outcomes the advocate desires.

This paper examines one major component of the functional side of the federalism debate—what devolution means for state policy choices. It is important to note that there are other functional issues relevant to any debate on federalism, such as the federal and state governments' relative administrative capacity, political accountability, and fiscal capacity and priorities. These are equally important issues that must be incorporated into an overall approach to assessing devolution, but the focus here is on how devolution affects policy choices.

II. Devolution and Policy

Devolution can take various forms. The federal government's willingness to grant waivers is a mild form of devolution. States receive some flexibility, but they must negotiate the terms of that flexibility on a piecemeal basis with the federal government. Block grants are one model of devolution, and the Temporary Assistance for Needy

Families (TANF) grant to states is often referred to as a block grant. In fact, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) which created TANF not only authorizes the grant, but also imposes significant federal policy requirements on states. Two notable requirements are the prohibition (with some exceptions) against providing cash benefits for more than 5 years in a family's lifetime, and a set of child support enforcement activities that every state must adopt.

Complete devolution would not involve the conversion of old programs into block grants, but the repeal of the programs entirely. The repeal of programs could be accompanied by an unrestricted grant by the federal government to the states to retain budget neutrality for both parties. With the federal government exiting the field, states would truly be free to act as they wish.

It would be quite interesting if, when states were freed from federal policy constraints, they all continued with policies identical to those they had in place prior to devolution. It would also be interesting if all states shifted to a new, single policy when the federal government stepped out of the way. Either of these scenarios would suggest that states were not actually constrained by the federal government even when it was taking the policy lead.

But, as the first few years after the enactment of PRWORA have shown, devolution in this area does yield policies that vary significantly from state to state. Of course, there was significant variation among state policies prior to PRWORA, especially in the level of benefits provided to eligible families. PRWORA has opened up a new set of issues and state choices reflect a good deal of variation. Whether or not devolution is a good thing depends upon why that variation exists and how it affects the well-being of families.

A. Three Reasons for Policy Variation

The first step in understanding the effects of devolution is to explore why states select policies that differ from each other. In general, there are three reasons for policies to vary: because there is a lack of consensus on the mechanisms for reaching a goal; because the circumstances in different states vary requiring different responses; and because states have different objectives in mind when they set their policies.

1. Experimentation with Mechanisms

The most vivid metaphor for state variation in policies was coined by Justice Brandeis who said that states serve as the laboratories of democracy. The image here is of multiple states confronting the identical problem and each selecting a policy with imperfect knowledge of if it will or will not work. Over time, evidence begins to mount that one state is having better results than others, and the nation as a whole gains a better understanding of policy from this experiment. The image is compelling because if the federal government had stepped in and set a single policy the experiment would not have occurred, and we would be stuck with a national policy that might not have been the best one.

Examples of this sort of experimentation are easy to find in social policy. One current example is found in the new State Children's Health Insurance Program (CHIP). All states confront the difficulty of finding and enrolling eligible children. This is a new program targeting a newly eligible population and evidence of what is likely to work is limited. As a result, states adopt a variety of approaches—some working through schools, others through health care providers, yet others through community organizations. Some states accept applications that are mailed in, some allow applications to be processed at a location other than the welfare office, while other states develop kiosks and electronic applications. Over time, we expect to learn which of these approaches is most effective. Another example can be found in child support enforcement, where states began experimenting with approaches such as immediate wage withholding and denial of various professional and recreational licenses from those who were behind in making payments. States, with the common goal of improving collections, learned from each other and began adopting successful policies in advance of similar requirements being imposed by the federal government.

2. Tailoring to Different Circumstances

While the preferred metaphor relates to experimentation, governors often note that states simply are different and their different circumstances call for different solutions. There is no question that states are different in many ways and this forms a legitimate basis for states to choose different policies. Yet, this is also an easy phrase to throw around, akin to "we need to study that some more" and can serve as an excuse to reject a policy that really has been demonstrated to be successful, but is at odds with what the speaker prefers.

An example of a reason for tailoring is the variation among states in their geography and public transportation systems. Wisconsin has put an emphasis on transportation assistance for welfare families due to the limited public transit availability in that state. Families can exclude a relatively large value for their vehicles from the overall asset limit, welfare agencies are given some responsibility to identify and facilitate transportation for their clients, and a direct appropriation has been made towards transit service expansion, transportation support in rural areas, and employer initiatives to provide transit. If shown to be effective, other states might adopt these strategies. But the priority given to the issue of transit in Wisconsin, and the effects it will have on welfare recipients, reflects in part conditions that are particular to that state.

It is important to differentiate the notion of tailoring from the idea of experimentation with mechanisms. In the case of experimentation, the presumption is that over time state policies should converge as we learn more about what works best. By contrast, tailoring to circumstances may reflect differences among states that will never change. That is, the nation may benefit from sustained differences in policies among states when those differences legitimately reflect the best policy given the circumstances.

3. Pursuing Different Goals

States, when free to do so, pursue different goals and objectives. These varying goals are reflected in the policy choices they make. The major historical moves to centralize power have arisen from concern that differing goals among states creates chaos or inefficiency while national enterprises require stability and uniformity. In the social policy realm, the federal government often uses its power or purse to entice states to move their policies in directions they would otherwise not go.

When states enter a policy area in advance of the federal government, as occurred for example with environmental regulation or workers' compensation programs, goal variation is taken as a given and not surprising. However, when devolution occurs, there is, by definition, a withdrawal of the federal hand. Having states step in with policies that reflect their own objectives is, for some, one of the great attractions of devolution. The positive sentiment is based upon the notion that state governments are more responsive to and representative of local values and, particularly in the arena of social policy, that is of great importance. This sort of argument for devolution based upon theories of representative government resonates with many, but says little about whether or not the policies states adopt will actually be better for the residents of those states.

Some amount of devolution can occur even while a coherent federal goal is maintained. By all accounts, the new CHIP program is far more devolved than is Medicaid, yet, even CHIP has a clearly defined goal stated in the legislation: "[to] expand the provision of child health assistance to uninsured, low-income children". And, while state approaches to implementing CHIP vary substantially, they all quite clearly share that goal.

State responses to welfare reform are more complex. The PRWORA legislation sets forth a series of goals, and almost all state plans and legislative enactments include the goals of "personal responsibility" and "encouraging self-sufficiency." But a review of state enabling legislation and plans reveals other goals as well: encouraging two-parent families, providing support for the working poor, reducing poverty, eliminating stigma, and even promoting respect for state human services employees.

Even when states use the same words or phrases in their goal statements, their intentions may not be the same. In part this is because goal statements are often vague. A phrase like "self-sufficiency" means different things to different people. Reasonable people will disagree about whether or not a family is less dependent if it no longer receives cash assistance, but now obtains a child care subsidy and an earned income credit while it retains medical assistance and food stamps. In addition, even when two states list the same goals, the relative importance of those goals may differ, leading to quite different policy approaches.

Thus, while a great deal can be learned about state objectives from reading legislation, state plans, and political statements made by governors and key legislators, state goals are also revealed in the policy choices they make. Deriving goals from policies is difficult, and certain to be controversial in places. However, if it permits a better understanding of what states intend to accomplish, it can serve an important purpose.

While it may be difficult to define a state's policy goals with precision, it should be clear that state policy choices vary in part because their goals, or the relative priority they place on different goals, vary. This topic will be explored for welfare reform in more detail below. A simpler example arises from the child welfare system. Here, states have oscillated between family preservation and child protection as their primary goal. The policies that flow from these goals vary significantly. State policy variation does not simply reflect experimentation or tailoring of policies to the state's needs—it reflects the fact that some states place a higher priority on one goal while others emphasize a different goal.

B. Implications for Research on the Effects of Devolution

Separating out these three sources of policy variation—experimentation with methods, tailoring of policies to fit individual state needs, and pursuit of different goals—helps frame the question of how devolution affects the policy choices states make. Devolution may help us find the best approaches to addressing certain social problems; it may permit states to adopt approaches that better match their needs; and it may yield overall improvement in certain outcomes that we consider important. This section explores how we might determine if these positive outcomes are occurring.

1. Experimentation with Mechanisms

The metaphor of variation for the sake of experimentation has positive connotations, especially to a research audience. But presumably it should be seen as such only if three conditions are met. First, no state adopts a policy that is beyond the bounds of national acceptability, thereby fundamentally threatening the well-being of that states' population. Second, some type of experimental analysis actually takes place, creating the information necessary to judge which policies are succeeding and which are failing. Third, there is a feedback of the experimental results into the policymaking process yielding better policies in the long run. The first condition describes a political constraint on the extent of devolution that can occur. The second condition is exactly what research attempts to do. The third will be discussed in the final section.

2. Tailoring to Different Circumstances

Having states tailor their policies to meet the particular needs of their populations is a possible benefit of devolution. However, variation in and of itself does not mean states are selecting the best policies for their populations. Analysis of the characteristics of the states must occur in conjunction with analysis of particular policies to help determine the extent to which policy variation reflects tailoring as opposed to poor application of knowledge of what works.

Differences among states in their circumstances create a tremendous challenge for those seeking to use policy variation as the basis for learning about which policies work better than others. A project like ANF takes as a starting point that some of the more important differences among states can be controlled for in analysis, allowing comparisons across states even when their circumstances are not identical. The methodological challenges in doing so are sizeable, but familiar, and a variety of methods are available to control for across state variation. A review of these issues is not the purpose of this paper.

Where these methodological hurdles cannot be overcome, there still is value in describing the concordance between state policy choices and circumstances particular to the state. That is, for example, without saying whether a state should emphasize basic skills training or training that leads to career advancement, research can document the education levels of those on welfare. If a state stands out as having a strategy tailored to one population, when in fact a quite different population dominates the caseload, that information can help the state consider whether it has the proper policy emphasis. Distinct from research designed to measure the effects of policies, this research sheds light on the question of whether as a result of devolution state policies better match the problems the state faces.

3. Pursuing Different Goals

In determining if devolution leads to better policies, variation in goals and objectives across states poses a problem. If states are adopting different policies because they have different goals in mind, no single yardstick can measure the policies' relative effectiveness. The metaphor of experimentation is lost, and, unlike variations in state characteristics, it is difficult or impossible to control for different goals. This suggests three kinds of analysis.

a) National Data Applied to National Objectives

One approach to understanding devolution is to examine changes in national indicators that are relevant to the policy change states have made. For example, our view of devolution will be shaped by information such as if the nation's poverty rate or non-marital birth rate rises or falls in the aftermath of welfare reform. Yet, setting aside the obvious but critical issue of how one would construct the counter-factual—what would have happened to these rates if welfare reform had not been enacted—this sort of analysis has a particular limitation in an era of devolution.

The first limitation is that devolution has not been pure, so in most policy areas there have been federal as well as state-initiated policy changes. In welfare reform, are changes in national indicators due to federal policy changes, such as the five year benefit limit, or state policies, such as diversion programs and immediate work requirements? National data cannot differentiate between these effects. So, while national data can help us understand the effects of the overall policy, they say little about the role devolution has played.

The second limitation is that national data do not tell us about regional or state level variation in the relevant indicator. If national data show that those who left welfare are more likely to be uninsured than the working poor, we might be concerned. But our concern might grow if we knew that in a few states the rates of uninsurance were particularly high. National data can point us in the right direction, but leave important questions unanswered.

Thus, while examining national data trends provides insight into the effects of policy changes, it offers limited information about the effects of devolution.

b) State Data Applied to National Objectives

Where state-level data are available, the same exercise can be performed analyzing state-specific changes in certain indicators. This comparison serves the evaluation-oriented purpose of determining if the nation as a whole, or individual states, are doing a better or worse job in an era of devolution.

Setting data limitations aside, the challenge here is that this sort of analysis is complex when states have different goals. One option is to impose a single, implicit objective on all states and measure their performance in meeting this objective, whether the state shares it or not. For example, reducing non-marital births may be a high priority in one state but a lower priority in another. Still, an analysis of change in this indicator by state can tell us something about devolution.

Two recent reports take this approach. Rector and Youssef rank state welfare reform efforts from “highly successful” to “poor” based solely upon the rate of caseload reduction. Measuring state caseload reduction is one way of understanding the effects of devolution and welfare reform. Examining how these rates vary relative to state policy choices, as the authors have done, is also helpful. The terms “highly successful” and “poor” would be more apposite if all states had a primary goal of caseload reduction. That is fairly clearly not the case.

A somewhat different example is a report issued by the Center on Hunger and Poverty. In this report states are ranked based on the degree to which their policies reflect “moving towards the central goal of promoting economic well-being among poor families.” States gain points for positive incentives while they lose points for sanctions. Setting aside the question of whether or not the authors are correct that exclusive reliance upon positive incentives is the best way to promote the economic well-being of poor families, the risk here is that this simply stated goal is not the only one driving public policy. Some state policies reflect this goal, but perhaps place a stronger value on the goal of assuring that the social contract for assistance requires that people experience sanctions for failure to meet their obligations.

These analyses show both the uses and limitations of this approach. The use is that they tell us at a state-specific level something about the progress the nation is making towards a particular goal. And they do this in the context of devolution—looking at how individual states are setting policy. The limitation is that they presume states have a particular goal when, in fact, there may be little evidence to suggest that the goal set forth is shared by all states or is a high priority for all states.

If state-level studies do not look closely at state goals, they conflate into one metric what really are two separate questions. The first question is: How often do states, when given flexibility, adopt the policy goal that I as an author think they should have? The second question is: How effective are states at achieving the goal, given that some of them are trying to achieve it, while others have a different goal in mind? It is not surprising that, in both of the analyses just described, the states that come out best are the states that share the goal of the author. They reveal little about how good or bad a job states are doing when measured against the states' own goals.

One can imagine a series of analyses of exactly this sort that would say a great deal about the effects of devolution. States can be tested against the goals of reducing welfare caseloads, reducing child poverty, increasing the employment of parents, reducing out-of-wedlock births, reducing parental stress, and the like. So long as one acknowledges that not every state has set out to achieve all of these goals, this series could add up to a robust picture of the effects of devolution. Advocates who believe that a particular goal is paramount will judge the success or failure of devolution by drawing attention to whether or not the nation has made progress towards that one goal.

c) State Data Applied to State Goals

If we group states by their own goals, two other kinds of analysis become possible. First, returning to the laboratories metaphor, we can compare the policies adopted by different states that share the same goal. That is, knowing that two states are seeking to accomplish the same end, we can use the differences between their policies to look at the differences in outcomes and seek lessons on the relative effectiveness of their approaches. Second, since state-level data are limited, in some circumstances we may want to combine the data for a group of states that share a goal and compare them with the combined data for another group of states with a different goal. Each of these approaches presents challenges, but each also offers tools for understanding the effects of devolution that are not available if we treat every state as trying to accomplish the same ends.

Despite the data limitations and the difficulty of grouping states by their goals in a manner that will gain broad acceptance, these two sorts of analysis are critical to an understanding of devolution. They are essential because they go directly to the question of the effects of devolution as distinct from the overall national effects of various policy changes.

III. Constructing A Typology of States

If one thing is clear from the Assessing the New Federalism project, it is that there is no single typology of states that can be used to understand how devolution has affected state policies. States cannot be placed into neat categories based upon the approaches they are taking to redesign their social safety nets.

The primary reason no obvious typologies emerge is that state policies vary along so many axes and there is only a modest correlation among the policy choices states have made on each axis. States are setting new policies in the areas of work requirements, cash assistance time limits, child care subsidies, medical assistance eligibility, and many other areas. The large number of variables makes creating coherent groupings difficult.

An additional complication in designing typologies is that many state policy choices are not linear. Income disregards can be expressed in dollar and/or percentage terms. They can vary over time. They can be different for different family structures, or, as in Mississippi, be calculated differently depending upon how quickly after applying for assistance the parent found a job. Typologies require converting these heterogeneous options into a linear scale, or a grouping of options. This can be done, but it is questionable whether a group of researchers will agree on the groupings.

Part of the reason typologies are difficult to construct is that in many areas change has been mostly incremental. While time limits and relatively tight work requirements are mostly new, most states have made incremental changes in their earnings disregards, asset limits, child care subsidy eligibility levels and numbers of available slots, and other policies. How important is the difference between an eligibility level of 200% of the federal poverty level as opposed to 220%? Typologies connote a sense of coherence; dividing up states based upon fairly marginal differences falls short.

A. A Typology Built Around Cash Assistance

An effective typology can serve as a foundation for analysis of the effects of devolution. Specifically, grouping states by their goals and approaches enhances the value of interstate comparisons. Here I present a typology of state responses to welfare reform.

Welfare reform has been characterized as a redefinition of the social contract for those receiving public assistance. What in the past had been possible—long periods of welfare receipt with minimal work activity on the part of the recipient—is no longer available. The complex of policy changes that define the new contract have been described as a combination of carrots and sticks.

The typology is built around the combination of carrots and sticks that a state uses. States are placed into one of three groups depending upon the strength of the barriers they present to remaining on cash assistance without working. They are also placed into six categories based upon how strong their work incentives are for families moving off of welfare. The result is an eighteen cell grid.

Many sticks are available to states. The ones I view as most important and include in the typology are time limits (both the length of time one can receive benefits before engaging in a work activity, and the total amount of time one can receive benefits at all); sanctions (the degree to which benefits are reduced or eliminated for failure to follow program requirements); and work requirements (how broad the definition is of what counts as work and the age of children that permit the parent to be exempt). All of these policies vary significantly by state and together they express a notion of how hard it is to receive benefits without working.

I have excluded other policies that are also relevant to the notion of sticks. Diversion policies, both formal and informal, can serve as a barrier to receipt of cash benefits. The degree to which recipients are exempt from work requirements based upon circumstances such as domestic violence or having disabilities all help describe how hard the state is pushing to move recipients into work activities. Policies such as family caps and behavioral requirements for children such as attending school or obtaining immunizations can affect the effort required of a person who wishes to receive assistance. I have not included these items because they tend to affect subgroups of the overall welfare population. However, data on these items is available in a number of reports from the Assessing the New Federalism project.

I divide the barriers to welfare receipt without work into three categories. Since some of the key barriers were established in the federal legislation, I call states that have generally adhered to the federal standards ones with “basic” barriers. I hesitate to call these weak, since even states in this category have created barriers to ongoing welfare receipt significantly tighter than under the old AFDC program. States that have adopted tighter limits—for example shorter time limits—are categorized as having “tight” barriers. States that stand out as having adopted a complex of barrier policies are defined as having “very tight” barriers.

The carrot side is more complex. As Acs et al. documented, in all of the ANF focal states, moving from no work to half-time work at the minimum wage improves the financial resources available to the family if that family receives all benefits for which it is eligible. That same research shows that the incremental gain in financial resources falls quickly as that same family moves into full-time and higher wage work. States vary in how strong these incentives are, how sizeable the support is that is offered, and to whom the support is offered.

The typology takes into account two somewhat different approaches states have taken to creating work incentives. The first approach is to facilitate the transition from welfare to work by encouraging families to combine their new earnings with an ongoing cash payment. States that take this approach have relatively large earnings disregards and may supplement earnings with a state funded earned tax credit. In the typology, I focus on families moving into work. States are considered to have adopted this approach if a one adult/two children family that moves from no job to a half-time job at minimum wage continues to receive a cash grant of at least fifty percent of the value of the grant when there was no earned income.[1]

The second approach moves higher up the income scale and looks at the effort the state has made to supplement the earnings of people in low wage jobs, without regard to receipt of welfare, with benefits that make low wage employment more stable and desirable than it would otherwise be. Four programs outside the cash welfare system can help make work pay. States can use an earned income tax credit to supplement the earnings of all workers. They can extend health insurance up the income scale, and most states are doing so for children under the new CHIP program. They can provide assistance with child care costs at higher income levels. And, they can have smaller base period earnings requirements in the unemployment insurance program thereby providing a financial safety net even to relatively low wage workers.

---

[1] It is important to note that this approach does not look at the absolute level of cash benefits, but at the proportion maintained as the family goes to work. Certainly, it is easier for a state with a larger grant to meet this test, and of the 29 that do, 21 have benefits above the national median. However, the fact that eight states with lower than median benefits meet the test (and five with at or above median benefits do not) indicates that this metric captures something important about the structure of benefits in addition to their absolute level.

These two approaches describe six categories of states. States where work supports are available above 200% of the FPL are denoted “supports reach middle income workers.” States that make those supports available above 150% of the FPL are denoted “supports reach lower and middle income workers.” If these non-cash supports do not reach into these lower income levels, the state is designated: “supports phase out before low income.” Any of these three designations can occur in conjunction or not in conjunction with policies that allow families to supplement their limited work earnings with a large share of their original cash grant. States with policies that encourage this blending of income sources appear on the left side of each column. States that do not are on the right side, in the shaded portion of the column.

The results of the typology appear in Table 1. More detail on each indicator and the data sources appear in the Appendix.

Table 1: States Grouped by Limitations on Welfare Receipt and Benefits of Working

	Limitations on Welfare Receipt Without Work					
	Basic		**Tight**		**Very Tight**	
Supports Reach Middle Income Workers	AK, CA, MN, NY, NC	NJ, PA	CT, HI, VT	NV		DE
Supports Reach Lower and Middle Income Workers	MA, RI	CO, DC	IA, KS, OR	LA, MD, MS, NE		WI
Supports Phase Out Before Low Income	GA, IL, ME, MI, MT, NH, NM	AL, IN, KY, MO, TX	ND, OH, SC, SD, WA	AZ, OK, WV	FL, TN, UT, VA	AR, ID, WY

Shading indicates states where cash assistance payments phase out quickly as earnings increase (see text).

B. Uses of the Typology

To some, this grid represents different state approaches to the shared national goal of welfare reform: to reduce dependency and increase personal responsibility. In that view, states can be grouped within each cell and their relative effectiveness at achieving that goal should be measured, with those that do best showing the way nationally for how welfare reform should be accomplished.

I, however, believe the typology presents another possible interpretation. My view is that where a state lands on the grid is at least as much a reflection of its goals as it is an expression of its methods. That is, the fact that states appear in different cells shows that states are attempting to achieve different ends, not simply that they have taken different approaches to a common end.

I hesitate to draw conclusions from where individual states fall on the grid, especially because small changes in definitions or policies would make many states shift from one cell to another. States are spread among the cells. One group appears to be relying primarily on work supports rather than sanctions to move people into work. A large group of states has not extended the safety net up to lower-middle workers, and those states are split fairly evenly in how much they rely upon sanctions, and on how much cash assistance they make available to supplement a small paycheck. It is worth noting that the largest states tend to fall into the looser limitations categories. The policies in these few states will have a tremendous effect on the national outcomes of welfare reform.

Broadly defined, the distribution of states across the cells reveals that states vary in the relative weight they give to four goals. First is the goal of caseload reduction, or, more specifically, reducing the number of people receiving cash benefits. Second is the goal of supporting the financial well-being of working families without regard to whether or not the families are receiving cash assistance. Third is the goal of improving the overall well-being of welfare-receiving families as they first move into the work force. And fourth is the goal of achieving welfare reform while constraining the overall size of the safety net. The distribution of states suggests that some states are putting a primary emphasis on each one of these goals.

The typology also has some significant limitations. First, it is based upon policies, not on how those policies are implemented. One value of using policies in forming a typology is they express what the state describes are its own objectives. If the typology describes groupings of states with similar goals, stated policies are a reasonable source. On a more practical level, comparable state-level data that reflects actual program administration generally does not exist. As the ANF project and other research proceeds, more of this sort of data will become available, but for now formal policies are often the only data available for all states.

Second, the typology is simple in that it leaves out many dimensions of the relevant policies. Yet, even in this simplified form, there are eighteen cells, sixteen of which are occupied. Additional data elements would add information, but the added data would then be lost as states are grouped together. Other analysts would select different variables to create a typology, but in the end the typology inherently condenses a large amount of the data input to create groupings of similar states.

Third, the typology does not capture a number of important dimensions of state policy. It does not look at state efforts to assist harder to serve populations, such as those with mental illness or experiencing domestic violence. It does not look at levels of benefits, per se. It is designed to provide a broad description of state approaches, and does not attempt to describe any particular policy dimension in detail.

IV. Devolution Over Time

The effects of devolution will become more clear over time. Returning to the question of why state policy choices might vary, we can now look at how that variation over time will inform our understanding of the effects of devolution.

If we see evidence of experimentation we will have identified a benefit of devolution. As already noted, the first condition of experimentation—variation among states' policy choices—has begun to be met. But more evidence will be needed. If true experimentation is taking place we would expect to see a reduction in that variation, at least within groupings of states that have the same goals, as we learn more about what works and what does not. One possibility is that states will modify their policies as they learn more. An alternative is that the federal government steps in and places requirements or proscriptions on state policies. While the latter approach may be less appealing to states, it could still be viewed as a positive result of devolution—learning what works and then applying it to the nation as a whole.

A second possible benefit of devolution is the tailoring of policies to meet the particular needs of each state. If this is taking place we will observe different states with similar goals but different policies each having success in achieving some end. In some respects this is the most exciting prospect for devolution. If this can be shown to occur it suggests a lasting value to devolution that cannot be replicated by adopting a single, best national policy.

The greatest controversies surrounding devolution are likely to be over how much variation the nation should tolerate among states' goals. The results of this controversy will depend upon how much national consensus there is around the goals policies should achieve. If, for example, the primary goal of welfare reform had been to reduce caseloads, there would be only modest controversy over states' approaches to redesigning their safety nets so long as they achieved that goal. Welfare reform, and its devolved character, could be judged a success as the nation gained from state experimentation and tailoring of approaches to meet state conditions, while the nation achieved its overall objective.

One of the challenges for judging devolution is that, to the extent that it has occurred, it was not always in the context of clear national policy goals. For some, that was precisely the point—goals should be set at the local level, not at the national level. But for others devolution, and welfare reform specifically, was about achieving particular goals, with the assumption that those goals could be achieved more effectively by states than by policies set by the federal government. Whether or not this happens is one test of federalism.

These issues become even more challenging in the context of federal funding. It is a given that states will set their own priorities when spending their own tax dollars. But what is the rationale for federal funding when states are using those funds to reach different ends? The track record of this sort of support is not good; federal willingness to appropriate wanes as the link between the federal dollar and the specific program is broken. Thus, another test of devolution is whether federal funding support can be sustained when states are using the funds in differing ways.

Whether or not devolution can be sustained is a political question. Whether or not it yields policies that are more likely to support needy families is an empirical one. The challenges for research in answering the latter question are great, but it is an effort we must make if we wish to comment on what different forms of federalism mean for the nation.

Appendix: Definitions and Data Sources for Typology

This appendix includes definitions and data sources for the information included in the typology presented in Table 1.

Limitations on Welfare Receipt

States are categorized as having "basic," "tight" or "very tight" limitations on welfare receipt in Table 1. To categorize states, data were compiled on five different measures: overall time limits, work trigger time limits, work activities, sanctions, and child exemptions. A scale for "Limitations on Welfare Receipt Without Work" was then devised based on a sum of these five measures.

Overall Time Limits: An overall time limit refers to the maximum number of months a state allows a recipient to receive TANF benefits within an initial 5 year period. States were categorized as having time limits that were 1) shorter than the Federal maximum time limit of 60 months, 1.5) equal to the Federal maximum, or 2) more than the Federal maximum. A state was categorized as having time limits that were more than the Federal maximum if it guaranteed additional state-funded benefits (this was the case in California, Maryland, New York, and Rhode Island). A state was also categorized as having time limits beyond the Federal maximum if it allowed broad exemptions to the time limit rule (for example, for age, disability/illness, caring for disabled person, caring for young child, general hardship/other personal barriers to employment, no job available/high local unemployment, victim of domestic violence, or other (specified in Gallagher et al. 1998)). This scale is explained in more detail in Zedlewski, Holcomb, and Duke (1998). State data for 1997 are shown.

Sources of data for this measure:

- Table 10 in Zedlewski, Sheila R., Pamela A. Holcomb, and Amy-Ellen Duke. (1998). *Cash Assistance in Transition: The Story of 13 States*; OP 16. Washington, DC: Assessing the New Federalism, Urban Institute.
- Table 6 in Gallagher, L. Jerome, Megan Gallagher, Kevin Perese, Susan Schreiber, and Keith Watson. (1998). *One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*; OP 6. Washington, DC: Assessing the New Federalism, Urban Institute.

Work Trigger Time Limits: Work trigger time limits refer to the maximum months a recipient can receive benefits before he or she must begin work activities. A scale was devised that categorized states as having work trigger time limits that were 1) shorter than the Federal maximum of 24 months, or 2) equal to the Federal maximum of 24 months. If a state did not specify its work trigger time limits, it was categorized as 1.5, unspecified. State data for 1999 are shown.

Source of data for this measure:

- Burke, Vee and Melinda Gish. (1999). *Welfare Reform: Work Trigger Time Limits, Exemptions and Sanctions under TANF*. Congressional Research Service Report for Congress. Washington, DC: The Library of Congress.

Work Activities: TANF sets parameters on which work activities states may use Federal funding for and which activities may count toward overall work participation rates. Recipients receiving a college education do not count towards a state's work participation rates. However, states may use federal funding to support welfare recipients in college. Since the dominant theme of most state welfare programs is work first, rather than human capital development, the willingness of a state to accept college education as an acceptable activity is viewed as an indicator of the stringency of the state's work requirement. Data for 1998 are shown.

Source of data for this measure:

- *Welfare Rules Database Beta Version*. (1999). Washington, DC: The Urban Institute.

Sanctions: Sanctions were measured by analyzing the first reduction in benefits a state makes after a recipient fails to meet his or her work requirements, and the most severe reduction in benefits a state makes after a recipient fails repeatedly to meet his or her work requirements. A three-point scale developed by Zedlewski et al. (1998) was used that categorizes states as having a 1) high sanction intensity if they impose a full family sanction for the first lapse in fulfilling work requirements, 3) a low sanction intensity for states that do not impose full benefit sanctions even for repeated failures to comply with requirements, and 2) a medium sanction intensity for states falling between these extremes. State data for 1997 are shown.

Sources of data for this measure:

- Table 10 in Zedlewski, Sheila R., Pamela A. Holcomb, and Amy-Ellen Duke. (1998). *Cash Assistance in Transition: The Story of 13 States*; OP 16. Washington, DC: Assessing the New Federalism, Urban Institute.
- Table 10 in Gallagher, L. Jerome, Megan Gallagher, Kevin Perese, Susan Schreiber, and Keith Watson. (1998). *One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*; OP 6. Washington, DC: Assessing the New Federalism, Urban Institute.

Child Exemptions: Child exemptions refer to the maximum age a recipients' youngest child can be in order for that recipient to receive an automatic exemption from his or her work requirements. Certain extensions, ceilings, and rules have not been included on this table but are available in the source document by Burke and Gish (1999). The scale assigns states four possible values: 1) no work exemption, 1.5) exemptions for a child less than 1 year of age, 2.5) exemptions for a child up to 1 year of age, and 3) exemptions for a child older than 1 year of age. State data for 1997 are shown.

Source of data for this measure:

- Burke, Vee and Melinda Gish. (1999). *Welfare Reform: Work Trigger Time Limits, Exemptions and Sanctions under TANF*. Congressional Research Service Report for Congress. Washington, DC: The Library of Congress.

Benefits to Working

In addition to the limitations they place on receipt of welfare in the absence of work activities, states have been categorized by the benefits they provide to encourage work. To measure benefits to working, data was collected on state Earned Income Tax Credits, child medical assistance eligibility, child care assistance eligibility, Unemployment Insurance eligibility, and the degree to which TANF recipients retain their cash benefits as the family moves to work.

Categories were then developed that reflect whether states provide these work incentives at lower or middle income levels, or both. States are considered to facilitate the transition from welfare to work if the welfare receiving family retains at least fifty percent of its cash grant as it moves to a half-time job at minimum wage. States are considered to support middle income families if medical and child care assistance are available to families with incomes at or above 200% of the FPL. States are considered to support lower income families if these two sources of assistance are available to families with incomes at or above 150% of the FPL and the state has either an earned income tax credit or a relatively low trigger for receipt of unemployment compensation benefits.

Earned Income Tax Credit: A state Earned Income Tax Credit (EITC) is a credit for low- and moderate-income working families that is usually designed as a supplement to the federal EITC. States were categorized as either 1) having an EITC program or 2) not having an EITC program. State data for 1998 are shown.

Source of data for this measure:

- Johnson, Nicholas and Ed Lazere. (1998). *Rising Number of States Offer Earned Income Tax Credits*. Washington, DC: Center on Budget and Policy Priorities.

Child Medical Assistance Eligibility: Child medical assistance eligibility refers to the maximum family income (as a percent of the federal poverty level) allowed for children ages 6-14 years to be eligible to receive medical assistance from the state. State data as of August 1, 1999 are shown.

Source of data for this measure:

- Ullman, Frank, Ian Hill, and Ruth Almeida. (1999). *CHIP: A Look at Emerging State Programs*. Brief A-35. Washington, DC: Assessing the New Federalism, Urban Institute.

Child Care Assistance Eligibility: The measure of child care shown represents the maximum family income (as a percent of the federal poverty level) allowed for a family to be eligible to receive child care assistance from the state. It is very important to note that states often do not provide assistance to all families that meet these eligibility criteria. No effort was made in this typology to capture how much of the eligible population is served. State data as of January 1998 are shown.

Source of data for this measure:

- Adams, Gina, Karen Schulman and Nancy Ebb. (1998). *Locked Doors: States Struggling to Meet the Child Care Needs of Low-Income Working Families*. Washington, DC: Children's Defense Fund.

Unemployment Insurance Eligibility: The measure of unemployment insurance eligibility is the number of weeks a person would need to work full-time at a minimum wage job to meet the Unemployment Insurance base period earnings requirement. States were then categorized as requiring of their recipients 1) less than 6 weeks of work to receive unemployment insurance or 2) more than 6 weeks of work to receive unemployment insurance. State data for 1997 are shown.

Source of data for this measure:

- Vroman, Wayne. (1998). *Effects of Welfare Reform on Unemployment Insurance*. Brief A-22. Washington, DC: Assessing the New Federalism, Urban Institute.

Retention of TANF Benefits after part-time, minimum wage work: The measure of retention of TANF benefits was derived by first reviewing TANF monthly cash benefits for a family of two children and one adult who is not working, then reviewing TANF monthly cash benefits for the same type of family in which the adult has been working 20 hours a week at minimum wage for several months. In most states, when a recipient transitions to work, the earnings disregard is initially higher than it is after several months of work. Our measure reflects the rules as they apply in the longer term. State data for 1997 are shown.

Source of data for this measure:

- State TANF Income Calculator. *http://newfederalism.urban.org/incalc2/index.html*

	Limitations on Welfare Receipt			
	Overall Time Limits	**Work Trigger Time Limits**		**Work Activities**
	1=Shorter than Federal maximum; 1.5=Equal to Federal maximum 2=More than Federal maximum (broad exemptions may change rating).	Maximum months of benefits available before work activities must begin	1=Shorter than Federal maximum; 2=Equal to Federal maximum of 24 months before work must begin.	1=states don't allow college education as allowable work activity 2=allow as work activity
Date of Measurement	***1997***	***1999***		***1998***
Alabama	1.5	24	2	2
Alaska	1.5	24	2	2
Arizona	1.5	0	1	2
Arkansas	1	unspecified	1.5	1
California	2	0	1	2
Colorado	1.5	24*	2	2
Connecticut	1.5	unspecified	1.5	1
D.C.	1.5	0	1	2
Delaware	1.5	0	1	1
Florida	1	0	1	1
Georgia	1.5	24	2	2
Hawaii	1.5	24	2	1
Idaho	1	0	1	1
Illinois	1	24	2	2
Indiana	1.5	24	2	1
Iowa	2	unspecified	1.5	2
Kansas	1.5	24	2	1
Kentucky	1.5	24	2	2
Louisiana	1.5	unspecified	1.5	1
Maine	1.5	24	2	2
Maryland	1.5	unspecified	1.5	2
Massachusetts	1.5	60 days	1	2
Michigan	2	24	2	2
Minnesota	1.5	6*	1	2
Mississippi	1.5	24	2	2
Missouri	1.5	24	2	2
Montana	2	24	2	2
Nebraska	1.5	24	2	2
Nevada	1	24	2	1
New Hampshire	1.5	0	1	2
New Jersey	2	24	2	2
New Mexico	1	24	2	2
New York	2	24	2	2
North Carolina	1.5	0	1	2
North Dakota	1.5	24	2	2
Ohio	1	24	2	2
Oklahoma	1.5	24	2	2
Oregon	1	unspecified	1.5	2
Pennsylvania	1.5	24	2	2
Rhode Island	2	52 days	1	1
South Carolina	1.5	24	2	1
South Dakota	1.5	24	2	2
Tennessee	1	0	1	2
Texas	1	unspecified	1.5	2
Utah	1	0	1	2
Vermont	2	15**	1	2
Virginia	1.5	90 days	1	1
Washington	1.5	0	1	1
West Virginia	1.5	24	2	2
Wisconsin	1	0	1	2
Wyoming	1.5	0	1	1

	Limitations on Welfare Receipt, continued				
	Sanctions			**Child Exemptions**	
	Reduction in benefits after first failure to meet work requirements	Most Severe reduction possible (after multiple failures)	1=full reduction for first failure to meet work requirements; 2=full reduction after repeated failures; 3=partial reductions only	maximum age of child in months for automatic exemptions	1=no work exemption 1.5= children less than 12 mos. 2.5=children to age 12 mos. 3= children older than 12 mos.
Date of Measurement		***1997***		***1997***	
Alabama	Partial	Full	2	12	2.5
Alaska	Partial	Partial	3	12	2.5
Arizona	Partial	Full	2	12	2.5
Arkansas	Full	Full	1	3	1.5
California	Partial	Partial	3	6	1.5
Colorado	Partial	Full	2	county option	2
Connecticut	Partial	Full	2	12	2.5
D.C.	Partial	Partial	3	12	2.5
Delaware	Partial	Full	2	3	1.5
Florida	Full	Full	1	3	1.5
Georgia	Partial	Full	2	12	2.5
Hawaii	Partial	Partial	3	6	1.5
Idaho	Full	Full	2	0	1
Illinois	Partial	Full	2	12	2.5
Indiana	Partial	Partial	3	12	2.5
Iowa	Partial	Full	2	3	1.5
Kansas	Full	Full	1	12	2.5
Kentucky	Partial	Full	2	12	2.5
Louisiana	Partial	Full	2	12	2.5
Maine	Partial	Partial	3	12	2.5
Maryland	Full	Full	1	12	2.5
Massachusetts	Partial	Full	2	23	3
Michigan	Partial	Full	2	3	1.5
Minnesota	Partial	Partial	3	12	2.5
Mississippi	Full	Full	1	12	2.5
Missouri	Partial	Partial	3	12	2.5
Montana	Partial	Partial	3	0	1
Nebraska	Full	Full	1	3	1.5
Nevada	Partial	Full	2	12	2.5
New Hampshire	Partial	Partial	3	36	3
New Jersey	Partial	Full	2	3	1.5
New Mexico	Partial	Full	2	12	2.5
New York	Partial	Partial	3	12	2.5
North Carolina	Partial	Partial	3	12	2.5
North Dakota	Partial	Full	2	4	1.5
Ohio	Full	Full	1	12	2.5
Oklahoma	Full	Full	1	3	1.5
Oregon	Partial	Full	2	3	1.5
Pennsylvania	Partial	Full	2	12	2.5
Rhode Island	Partial	Partial	3	12	2.5
South Carolina	Full	Full	1	12	2.5
South Dakota	Partial	Full	2	3	1.5
Tennessee	Full	Full	1	4	1.5
Texas	Partial	Partial	3	48	3
Utah	Partial	Full	2	0	1
Vermont	Partial	Full	2	6	1.5
Virginia	Full	Full	1	18	3
Washington	Partial	Partial	3	12	2.5
West Virginia	Partial	Full	2	6	1.5
Wisconsin	Partial/Full***	Full	1	3	1.5
Wyoming	Full	Full	1	3	1.5

	Benefits to Working at Middle Incomes				
	EITC	Medical Asst.	Child Care Asst.	Unemployment Insurance Eligibility	
	1=State has EITC program 2=State does not	Maximum Family Income (as a Percent of FPL) for 6-14 year olds to be eligible	Maximum family income (as Percent of FPL) to be eligible for child care assistance	Unemployment Insurance Base Period Earnings Requirement in weeks of work at 40 hours/week minimum wage	1= Weeks of full-time work required to earn UI is less than 6; 2= greater than 6
Date of Measurement	***1998***	***1999***	***1998***	***1997***	
Alabama	2	200%	130%	5.0	1
Alaska	2	200%	229%	4.9	1
Arizona	2	200%	135%	7.3	2
Arkansas	2	200%	138%	6.4	2
California	2	250%	225%	5.5	1
Colorado	2	185%	185%	4.9	1
Connecticut	2	300%	294%	2.9	1
D.C.	2	200%	210%	9.5	2
Delaware	2	200%	155%	3.5	1
Florida	2	200%	150%	16.5	2
Georgia	2	200%	182%	6.6	2
Hawaii	2	200%	312%	0.6	1
Idaho	2	150%	150%	6.9	2
Illinois	2	185%	164%	7.8	2
Indiana	2	200%	150%	13.3	2
Iowa	1	185%	125%	5.8	1
Kansas	1	200%	185%	9.8	2
Kentucky	2	200%	133%	7.3	2
Louisiana	2	150%	222%	5.8	1
Maine	2	185%	244%	12.7	2
Maryland	1	200%	138%	4.4	1
Massachusetts	1	200%	174%	9.7	2
Michigan	2	200%	196%	9.8	2
Minnesota	1	275%	257%	6.1	2
Mississippi	2	200%	165%	5.8	1
Missouri	2	300%	133%	7.3	2
Montana	2	150%	185%	6.8	2
Nebraska	2	185%	185%	5.8	1
Nevada	2	200%	237%	1.9	1
New Hampshire	2	300%	170%	13.6	2
New Jersey	2	350%	200%	9.8	2
New Mexico	2	235%	199%	6.9	2
New York	1	250%	202%	7.8	2
North Carolina	2	200%	211%	13.6	2
North Dakota	2	140%	220%	13.6	2
Ohio	2	150%	135%	13.9	2
Oklahoma	2	185%	185%	7.3	2
Oregon	1	170%	188%	4.9	1
Pennsylvania	2	235%	235%	6.4	2
Rhode Island	1	300%	185%	9.2	2
South Carolina	2	150%	125%	4.4	1
South Dakota	2	140%	150%	6.3	2
Tennessee	2	200%	190%	7.6	2
Texas	2	200%	150%	7.9	2
Utah	2	200%	158%	9.2	2
Vermont	1	300%	200%	8.4	2
Virginia	2	200%	170%	15.8	2
Washington	2	250%	175%	17.0	2
West Virginia	2	150%	112%	10.7	2
Wisconsin	1	185%	165%	8.2	2
Wyoming	2	150%	133%	8.5	2

	Benefits to Working at Lower Incomes		
	TANF Benefits with part-time, minimum wage work		
	TANF Monthly Cash Benefit Received by a Family of 3 when working 0 hours per week	TANF Benefit Received by same family after the transition to 20 hours per week at minimum wage	Percent of Benefits initially retained by a family of 3 moving from no work to 20 hours/week at minimum wage
Date of Measurement		*1997*	
Alabama	$164	$0	0%
Alaska	$923	$772	84%
Arizona	$347	$100	29%
Arkansas	$204	$0	0%
California	$565	$456	81%
Colorado	$302	$119	39%
Connecticut	$464	$464	100%
D.C.	$379	$164	43%
Delaware	$338	$123	36%
Florida	$303	$182	60%
Georgia	$280	$209	75%
Hawaii	$570	$415	73%
Idaho	$276	$10	4%
Illinois	$377	$231	61%
Indiana	$288	$73	25%
Iowa	$426	$249	58%
Kansas	$429	$217	51%
Kentucky	$262	$47	18%
Louisiana	$190	$0	0%
Maine	$418	$407	97%
Maryland	$388	$60	15%
Massachusetts	$565	$404	72%
Michigan	$459	$265	58%
Minnesota	$763	$556	73%
Mississippi	$120	$9	8%
Missouri	$292	$77	26%
Montana	$450	$268	60%
Nebraska	$364	$10	3%
Nevada	$348	$127	36%
New Hampshire	$550	$329	60%
New Jersey	$424	$203	48%
New Mexico	$389	$228	59%
New York	$577	$372	64%
North Carolina	$272	$164	60%
North Dakota	$490	$255	52%
Ohio	$362	$266	73%
Oklahoma	$292	$131	45%
Oregon	$460	$239	52%
Pennsylvania	$421	$200	48%
Rhode Island	$554	$418	75%
South Carolina	$201	$124	62%
South Dakota	$430	$381	89%
Tennessee	$185	$185	100%
Texas	$188	$0	0%
Utah	$426	$255	60%
Vermont	$656	$436	66%
Virginia	$354	$354	100%
Washington	$546	$325	60%
West Virginia	$253	$0	0%
Wisconsin	$628	$0	0%
Wyoming	$340	$97	29%

References

Acs, Gregory, Norma Coe, Keith Watson, and Robert I. Lerman. 1998. *Does Work Pay? An Analysis of the Work Incentives under TANF*. (OP 9). Washington, DC: Assessing the New Federalism, Urban Institute.

Adams, Gina, Karen Schulman, and Nancy Ebb. 1998. *Locked Doors: States Struggling to Meet the Child Care Needs of Low-Income Working Families*. Washington, DC: Children's Defense Fund.

Bell, Steven. 1999. *New Federalism and Research: Rearranging Old Methods to Study New Social Policies in the States*. (99-08). Washington, DC: Assessing the New Federalism, Urban Institute.

Burke, Vee, and Melinda Gish. 1999. *Welfare Reform: Work Trigger Time Limits, Exemptions and Sanctions under TANF*. Congressional Research Service Report for Congress. Washington, DC: The Library of Congress.

Center on Hunger and Poverty. 1998. *Are States Improving the Lives of Poor Families? A Scale Measure of State Welfare Policies*. Boston: Tufts University.

Coe, Norma B., Gregory Acs, Robert I. Lerman, and Keith Watson. 1998. *Does Work Pay? A Summary of the Work Incentives under TANF*. (A-28). Washington, DC: Assessing the New Federalism, Urban Institute.

Donahue, John D. 1997. *Disunited States*. New York: Basic Books.

Gallagher, L. Jerome, Megan Gallagher, Kevin Perese, Susan Schreiber, and Keith Watson. 1998. *One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997.* (OP 6). Washington, DC: Assessing the New Federalism, Urban Institute.

Johnson, Nicholas, and Ed Lazere. 1998. *Rising Number of States Offer Earned Income Tax Credits*. Washington, DC: Center on Budget and Policy Priorities.

Income Support and Social Services for Low-Income People in Various States. Washington, DC: Assessing the New Federalism, Urban Institute. (Reports and Highlights available in this series include Alabama, California, Colorado, Florida, Massachusetts, Michigan, Minnesota, Mississippi, New Jersey, New York, Texas, Washington, and Wisconsin.) http://newfederalism.urban.org/html/reports.html

Long, Sharon K., Gretchen G. Kirby, Robin Kurka, and Shelley Waters. 1998. *Child Care Assistance Under Welfare Reform: Early Responses by the States* (OP 15). Washington, DC: Assessing the New Federalism, Urban Institute.

Madison, James, Alexander Hamilton and John Jay. 1987. *The Federalist Papers*. (First published in 1788). Toronto: Penguin Books.

New State Ice Company v. Liebmann. 1932. Brandeis, J., dissenting. 285 U.S. 262, 311.

Peterson, Paul E. 1995. *The Price of Federalism*. Washington, DC: Brookings Institution.

Primus, Wendell. 1999. "The Impact of Welfare Reform on Low-Income Families." Testimony before the U.S. House of Representatives, Committee on Ways and Means, Subcommittee on Human Resources, Washington, D.C., May 27.

Rector, Ralph and Sarah E. Youssef. 1999. *The Determinants of Welfare Caseload Decline*. Washington, DC: Heritage Center for Data Analysis.

Rivlin, Alice M. 1992. *Reviving the American Dream: The Economy, the States & the Federal Government*. Washington, DC: The Brookings Institution.

Seefeldt, Kristin S., Laura K. Kaye, Christopher Botsko, Pamela A. Holcomb, Kimura Flores, Carla Herbig, and Karen C. Tumlin. 1998. *Income Support and Social Services for Low-Income People in Wisconsin*. Washington, DC: Assessing the New Federalism, Urban Institute.

Sparer, Michael S. and Laurence D. Brown. 1996. "States and the Health Care Crisis: The Limits and Lessons of Laboratory Federalism." In *Health Policy, Federalism, and the American States*, edited by Rich, Robert F. and William D. White. Washington, DC: Urban Institute Press.

Urban Institute Assessing the New Federalism. 1999. State TANF Income Calculator. http://newfederalism.urban.org/incalc2/index.html. September 10.

Sundquist, James L. and David W. Davis. 1969. *Making Federalism Work: A Study of Program Coordination at the Community Level*. Washington, DC: The Brookings Institution.

Title XXI, Social Security Act, Section 2101(a). 1997. State Children's Health Insurance Program. As cited in Weil, Alan. 1997. *The New Children's Health Insurance Program: Should States Expand Medicaid?* (A-13). Washington, DC: Assessing the New Federalism, Urban Institute.

Ullman, Frank, Ian Hill, and Ruth Almeida. 1999. *CHIP: A Look at Emerging State Programs*. (A-35). Washington, DC: Assessing the New Federalism, Urban Institute.

U.S. Congress. 1998. House Committee on Ways and Means. *1998 Green Book. Background Material and Data on Programs within the Jurisdiction of the Committee on Ways and Means*. Washington, DC.

Vroman, Wayne. 1998. *Effects of Welfare Reform on Unemployment Insurance*. (A-22). Washington, DC: Assessing the New Federalism, Urban Institute.

Welfare Rules Database Beta Version. 1999. Washington, DC: The Urban Institute.

Zedlewski, Sheila R., Pamela A. Holcomb, and Amy-Ellen Duke. 1998. *Cash Assistance in Transition: The Story of 13 States.* (OP 16). Washington, DC: Assessing the New Federalism, Urban Institute.