Eligibility for CCDF-Funded Child Care Subsidies Under the October 1999 Program Rules: Results from the TRIM3 Microsimulation Model

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TABLE OF CONTENTS

INTRODUCTION	1
METHODOLOGY	4
OVERVIEW OF TRIM3	4
TRIM3'S CHILD CARE ELIGIBILITY MODELING	5
Units of Analysis	6
<u>Time period</u>	7
Eligibility criteria for the family head and spouse	7
Eligibility criteria for children	8
Income eligibility criteria	9
INPUT DATA FOR THE 1999 ELIGIBILITY ESTIMATES	11
INTERPRETING THE ESTIMATES	12
THE ELIGIBILITY ESTIMATES	13
STATE LEVEL ESTIMATES	13
ESTIMATES BY DEMOGRAPHIC CHARACTERISTICS	19
Description of the Tables	19
Demographic Characteristics of Eligible Children	20
Demographic Characteristics of Eligible Families	23
CROSS TABULATION OF ELIGIBILITY BY FAMILY MARITAL STATUS, PAREN	TAL
WORK STATUS, AND AGE	26
Description of the tables	26
Results of the cross-tabulation	27
ELIGIBILITY AND NEED	31
REFERENCES	32
APPENDIX TABLES	33

INTRODUCTION

This paper reports estimates of the numbers of families and children who may be eligible for child care subsidies under the Child Care and Development Fund (CCDF). The estimates are produced by the Urban Institute's TRIM3 model (the Transfer Income Model, version 3). By "eligible" we mean that a family would technically qualify for subsidies, if that family chose to apply for subsidies. An eligible family may or may not want or need subsidies. Included are estimates of families and children eligible under state rules in effect as of October 1999. This paper also shows the number of families and children who are under the maximum federal standard of 85 percent of state median income. The paper explores the estimation methodology and also presents detailed national and state-level estimates.

The Child Care and Development Fund (CCDF), authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, assists lowincome families, families receiving temporary public assistance, and those transitioning from public assistance in obtaining child care so they can work or attend training/education.¹ Under the CCDF, states receive grants from the federal government to operate child care subsidy programs.² While other child care subsidies are paid for by federal TANF funds and by state, local, and private monies, the CCDF is the single largest source of funding for child care subsidies in many states.³

¹ The CCDF replaced the former Child Care Development Block Grant (CCDBG) program.

 $^{^{2}}$ Each state qualifies each year for a share of funds available without matching requirements. In addition, a state can elect to receive additional "matching" federal funds if the state meets certain "maintenance of effort" requirements and commits additional state funds to draw down the matching funds. Finally, a state can elect to transfer up to 30 percent of its Temporary Assistance for Needy Families (TANF) block grant funds to the CCDF program. See Greenberg, Lombardi, and Schumacher, 2000, for a more complete description of CCDF provisions. See Collins, Layzer, Kreader, Werner, and Glantz, 2000, Appendix Table 2.7a.

Each state determines how its CCDF program will operate, within the overall guidelines in the federal regulations. These guidelines stipulate three basic criteria for eligibility: child's age, family income, and parent work status. Typically, a child must be under 13 years old to be eligible. However, children with certain special needs may be eligible up to 19 years old. Family income must not exceed 85 percent of the state's median for a family of the same size. Parents must be working or attending a job training or educational program. Within these parameters, each state establishes specific income thresholds and other rules that define who is legally eligible in the state. The states are required to report these rules in their biennial CCDF operating plans, submitted to the federal government by October of each odd-numbered year.

To help understand the potential reach of the CCDF program, as well as to assess possible changes in the system and the impact of variations in state rules, the Urban Institute developed a model under funding from the Department of Health and Human Services to estimate the number of children and families eligible for CCDF subsidies. While this model can estimate *eligibility* for the program under different sets of rules, it does not attempt to measure *need* for subsidies. Whether or not a family needs a subsidy, or any type of non-parental child care for that matter, depends on the alternatives for care available to the family.

This paper reports CCDF estimates from the Urban Institute's TRIM3 model (the Transfer Income Model, version 3). Included are two sets of estimates as of October 1999.⁴ One set uses the financial and demographic eligibility criteria that states delineate in their state plans. This set of "state rules" estimates provides a measure of the number of children and families

⁴ The TRIM3 methodology was previously used to produce estimates of eligibility based on the October 1997 federal and state rules (Department of Health and Human Services, 1999). Estimates based on the October 2001 rules are forthcoming. The sets of estimates may vary due to fluctuations in demographic and economic conditions, changes to state program rules, ongoing efforts to refine the model, and sampling variability.

eligible for CCDF subsidies as the program was implemented by the states in October 1999. The other set is based on the federal guidelines, described above. This set of "federal maximum" estimates provides a benchmark of the number of children and families who are below 85 percent of state median income, the maximum income threshold allowed under federal law.

TRIM3 estimates that 9.7 million children and 5.8 million families are eligible for CCDF subsidies under October 1999 state rules. The model also shows that 15.7 million children and 9.5 million families are estimated to be below the federal maximum income standard. The difference between these two sets of estimates reflects the fact that many states establish more restrictive eligibility rules than those allowed by the federal law. Most notably, many states set income eligibility thresholds below 85 percent of state median income.

The estimates can be examined for each state and, at the national level, for families and children with different demographic characteristics. For example, 4.4 million children under age six and 5.2 million children ages six through twelve are eligible for CCDF-funded child care subsidies under state rules. Forty-two percent of all children eligible for subsidies under state rules have annual family incomes below poverty. Furthermore, roughly 0.6 million eligible families and 1 million eligible children are current TANF recipients. The number of estimated eligible children and families varies widely by state.

The remainder of this paper explores the estimation methodology and the subsequent results in more detail. The next section discusses the fundamentals of the TRIM3 model and defines the parameters for the CCDF subsidy estimation. The third section describes the national and state level estimates that are presented in the attached tables. The paper concludes with a final discussion of the distinction between estimate of eligibility and estimates of child care need.

3

METHODOLOGY

TRIM3 is a comprehensive model of tax, transfer, and health programs affecting the U.S. population.⁵ This section provides an overview of TRIM3 followed by a detailed discussion of how TRIM3 models eligibility for child care subsidies, a description of the input data used for these simulations, and information on how to interpret the estimates.

OVERVIEW OF TRIM3

As a microsimulation model, TRIM3 uses survey data on individuals, families, and households to simulate the effects of major government programs. The TRIM3 computer program applies the rules of the particular social program being simulated to each household in the microdata input file. The model follows program rules as closely as possible given the limitations of the available data and policy information.

TRIM3's input file is a slightly modified version of each year's March Current Population Survey (CPS). The March CPS samples about 55,000 households, and is nationally representative of the civilian non-institutionalized population of the United States. The survey is used extensively for analysis of the demographic and economic characteristics of the population. For example, it is the source of the official statistics on the country's poverty rate.

From a substantive perspective, the main modification made to the CPS prior to its use in TRIM3 simulations is the allocation of certain annual variables across the months of the year. The CPS only asks about annual income amounts. However, to simulate programs that operate on a monthly basis, TRIM3 needs monthly income amounts and monthly information on labor force activity. TRIM3 allocates reported annual earnings and reported labor force activity in a manner consistent with each individual's reported annual labor force participation and consistent

⁵ Full documentation of the TRIM3 system is available on the project's website, trim.urban.org.

with actual trends in employment and unemployment across the months of the year.⁶ Because TRIM3 models government programs on a monthly basis, it is not possible to reproduce its results using unadjusted annual CPS data.

TRIM3 simulation results can be examined for the entire population, for subgroups of the population, and for states. When state-specific estimates are needed, TRIM3 projects may use three consecutive years of CPS data and average the resulting estimates in order to reduce the margin of error associated with each estimate. That strategy was used for this research, and is discussed further below.

TRIM3'S CHILD CARE ELIGIBILITY MODELING

One of TRIM3's modules estimates eligibility for CCDF-funded child care subsidies. The eligibility estimates are intended to assist researchers and policymakers in understanding the potential reach of the CCDF program. In addition, the eligibility estimates will serve as a basis for identifying the recipients of subsidies in the TRIM-CPS data, facilitating other TRIM analyses.

To develop the CCDF eligibility estimates, TRIM3 examines each household in the input data to determine whether the family(ies) and child(ren) in that household are eligible for CCDF-funded subsidies. A family or child is deemed eligible if it meets all the necessary criteria based on (1) the activities of the family head (and spouse); (2) the ages of the children; and, (3) the family's income.

⁶ For instance, if a person says she worked for 26 weeks and was unemployed for 26 weeks, with one spell of unemployment, the allocation process places all the person's earnings in either the first half or last half of the year, and assigns the person as a worker in 6 months and as unemployed for the other 6 months. There is a random component in the assignment of weeks of work, but the model controls the assignment so that the trends in employment and unemployment across the year match the trends according to the BLS. For more details, see the document titled "Monthly Allocation" on the TRIM3 project's website, trim.urban.org.

TRIM3 can model CCDF eligibility under any specified set of program rules. As noted in the introduction, this project models eligibility under two sets of program rules. To simulate state rules eligibility, the model uses the actual income thresholds and other rules defined in each state's October 1999 CCDF plan.⁷ To derive the federal maximum estimates, the model sets the income eligibility thresholds at 85 percent of state median income (the maximum allowed by federal law), and uses the same requirements for head/spouse activity status and children's ages across all states. Below, we describe the sequential process by which TRIM3 calculates eligibility, and we detail the program rules that define each simulation.

Units of Analysis

CCDF eligibility estimates are provided for both children and families, but the model determines eligibility based on resources measured at the family level.⁸ Within a family, some children may be eligible for subsidies while others are not, depending on their age and disability status. A family with at least one eligible child is considered an eligible family, even if all of the children in the family are not eligible for subsidies.

Family size is an important variable used to determine whether a family is financially eligible for CCDF subsidies for both the state rules and the federal maximum simulations. All members of the family are included for purposes of calculating family size, including older children and relatives other than the head and spouse. TRIM3 considers children who live with caretakers who are not their parents (for example foster children or children living with grandparents) as members of their non-parent caretaker's family.⁹

⁷ The model is limited to program requirements that are clearly defined in the state plans. If a state has requirements that are not in its state plan, or if certain categories of requirements are not consistently included in the majority of state plans, the model does not capture these requirements.

⁸ CPS subfamilies, both related and unrelated, are treated as separate families.

⁹ Evidence from state plans suggests that children with non-parent caretakers are treated differently in some states. Further, some states may not include older children or non-parent adults in the family unit for purposes of family

Time period

The state rules and the federal maximum simulations both determine CCDF eligibility on a monthly basis.¹⁰ For each month of the year a child or family is eligible only if it meets all of the eligibility criteria in that month. As a result, TRIM3 may designate a family with relatively high annual income as eligible for child care subsidies in some months, if monthly income is low during one or more months of the year. Conversely, TRIM3 may designate a family with low annual income as ineligible for subsidies in months when income is relatively high.

Eligibility criteria for the family head and spouse

To be eligible for CCDF-funded subsidies, TRIM3 requires that both the head of the family and the spouse (if there is a spouse present) are either employed or in school.¹¹ The state rules simulation and the federal maximum simulation use different definitions of "working." In the simulation modeling the states' actual program rules, the definition of "working" is established by definitions in the state CCDF plans. In some states, a person must work at least a minimum number of hours per week (e.g., 20 hours) to be eligible for CCDF-funded subsidies. Other states do not require families to meet an hours requirement to be eligible for subsidies (or do not state such a requirement in their state plan). The minimum hours requirement for each state according to the October 1999 CCDF plans is listed in Appendix Table 1. In the federal

size and/or family income. However, the plans were not explicit on these matters. Therefore, we have chosen to use the same family definition for all states rather than to incorrectly infer a state's rules.

¹⁰ Re-determining eligibility each month is a simplification of the process. States establish a minimum certification period, often six months, so that they can assess each family's child care needs on a regular basis. However, states can require families to report income changes that occur during this period, so eligibility status may change in any month.

¹¹ In the TRIM3 model, the family head and his/her spouse must meet the activity requirements regardless of their relationship to the children in the family. This provision is consistent with the broad definition of "parent" in the CCDF regulations—"a parent by blood, marriage or adoption and also...a legal guardian, or other person standing in loco parentis" (Federal Register, July 24, 1998, Volume 63, Number 142; available from the Child Care Bureau at http://www.acf.dhhs.gov/programs/ccb/policy1/current/finalrul/index.htm). Some state plans indicate that the state may provide child care to foster children regardless of the activity of the foster parent(s), but TRIM3 does not model this detail. For simplicity, the tables and the discussion of the results in this paper use "parent" to describe the head/spouse of a child's family.

maximum simulation, TRIM3 submits all family heads and spouses to the same definition of work: the presence of any earnings during the month.

The state rules and federal maximum simulations use the same definition of being in school, based on the limited information reported in the CPS interview. If a person does not work the entire calendar year, the CPS asks why not; and if a person works for less than the entire year, the CPS asks what s/he was doing the remainder of the year. If the person responds that she was in school, then TRIM3 allocates student status to that person for some portion of the calendar year.¹²

Eligibility criteria for children

In both the state rules simulation and the federal maximum simulation, the maximum age at which a non-special needs child is eligible for CCDF-funded subsidies is 12. However, the two sets of program rules vary on the maximum age at which children with special needs are eligible for subsidies.¹³ In the state rules simulation, TRIM3 uses information from the state CCDF plans to determine the maximum age at which a special needs child may be eligible for subsidies. Some states limit eligibility for these children to those age 12 or younger, while others extend eligibility through the teen years up to age 19. Appendix Table 2 lists the maximum ages recorded in the October 1999 state plans. Under the federal maximum simulation, regardless of

¹² TRIM3 allocates student status across the months in a manner consistent with the other allocations. For instance, if a person worked 26 weeks and said she was in school the other 26 weeks, then TRIM3 distributes her earnings across 6 months and assigns student status for the other 6 months. Note that TRIM3 does not identify cases when a person attends school during weeks that s/he is also working (such as someone who attends school part-time while working either full-time or part-time). Also, note that there is not a perfect relationship between the activities captured as "school" in the CPS and the education and training activities covered by CCDF programs. Some training may be missed by the CPS questions, and some school activities that are captured by the CPS may not be covered by all CCDF programs.

¹³ The CCDF regulations allow a "special needs" child to be defined as one who is "physically or mentally incapable for caring for himself or herself, or under court supervision" (see footnote 11 for citation). Children under court supervision include those receiving protective services or foster care.

the family's state of residence, a special needs child is assumed to be eligible for CCDF subsidies through the age of 18.

Due to data limitations, the only type of special needs child that TRIM3's child care module captures is one who is disabled, and only if the child receives Supplemental Security Income (SSI).¹⁴ To the extent that there are children who are considered special needs for CCDF purposes who do not receive SSI, TRIM3 will undercount the number of eligible special needs children in both the federal maximum and the state rules simulations. For the remainder of this paper, we refer to this subgroup of SSI-receiving special needs children as "disabled."

Income eligibility criteria

To be eligible for CCDF-funded subsidies in a particular month, a family must have monthly income below the threshold for that family's size and state of residence. TRIM3 compares the family's monthly income to the appropriate income threshold. As discussed above, the family size is the total number of people in the family, with subfamilies treated as separate families.

Monthly family income is measured differently in the state rules and federal maximum simulations. For the federal maximum simulation, family income comprises the total cash income of the head and spouse, plus the SSI income of eligible children.¹⁵ For the state rules simulation, TRIM3 captures some of the variation in definitions of income used by the states, as indicated in their state plans. For example, some state plans specify that the state does not count

¹⁴ The CPS does not directly report SSI receipt by children. A child's SSI income is intended to be captured on the income record of a parent or guardian, so a child's SSI receipt can be inferred if a parent/guardian who is neither elderly nor disabled reports SSI income. However, the number of children's SSI cases inferred through parents' reports is much less than the actual number of children who receive SSI. The TRIM3 model corrects for the underreporting by assigning SSI receipt to additional eligible children in a way that reproduces the key characteristics of the actual children's SSI caseload.

¹⁵ To correct for the under-reporting of welfare receipt in surveys, the CCDF eligibility model uses TRIM3simulated SSI and TANF income in place of the reported amounts of SSI and TANF in its calculation of family income.

certain types of income--such as SSI or general assistance income--in their determination of CCDF eligibility. Furthermore, some state plans explicitly disregard a portion of earned income. These variations in income definition (according to the October 1999 CCDF plans) are listed in Appendix Table 3.

In addition to using different definitions of family income, the state rules and federal maximum simulations use different income thresholds. The state rules simulation uses the income thresholds that are contained in each state plan.¹⁶ In some states, the thresholds vary by whether a family is newly applying for eligibility or already eligible for subsidies. If a state's thresholds vary by initial vs. continuing eligibility, and the family is simulated as eligible for CCDF in the prior month, then the continuing eligibility limits are used for the current month; otherwise, the initial eligibility limits are used. A handful of states allow families with disabled children to have higher initial or continuing eligibility limits. Each state's initial eligibility limits for non-disabled children as of October 1999 are listed in Appendix Table 4. Appendix Table 5 lists each state's continuing eligibility limit, or disabled eligibility limit where applicable. Note that the majority of states have the same limits for both initial and continuing eligibility for all children.

¹⁶ Some state plans indicate that the state may waive, on a case-by-case basis, the income eligibility requirements for children receiving protective services. However, the CPS does not have information on protective services receipt, so TRIM3 cannot make this exception and therefore requires all families to meet the state's income requirements for eligibility.

The federal maximum income thresholds are set at 85 percent of state median income (SMI) for family sizes ranging from one person to 10 people.¹⁷ Appendix Table 6 lists the 85 percent SMI income thresholds used in the federal maximum simulation for all states and all family sizes. Comparing Appendix Tables 4 and 5 with Appendix Table 6, note that the state rules thresholds are often substantially lower than 85 percent of SMI.

INPUT DATA FOR THE 1999 ELIGIBILITY ESTIMATES

To improve the precision of the state-level eligibility estimates and estimates for demographic sub-groups of the national population, TRIM3 uses three years of CPS data to estimate CCDF eligibility. For the results presented in this paper, the three input files are based on the March 1998, March 1999, and March 2000 CPS files, with income data from calendar years 1997, 1998, and 1999. The same rules are applied to each year of data, except the income limits used in the 1999 run are deflated from 1999 to either 1998 or 1997 dollars using the Consumer Price Index (CPI). The eligibility estimates in the following tables are calculated by taking a simple average of the results from the three individual runs.¹⁸ Note that by averaging eligibility estimates over the three years of data, we may misestimate the number of families and children who were eligible for CCDF in October 1999, due to changes in demographic and economic circumstances over the period.

¹⁷ TRIM3's 85 percent of SMI threshold for each state is based on the state median incomes for a family of size 4 in CY 1997, published by the Census Bureau (www.census.gov/hhes/income/4person.html). Due to the lag in the publication of these figures, the 1997 medians are the most recent that would have been available as of October 1999. We calculate SMI for other family sizes using multipliers used by the Low Income Home Energy Assistance Program (LIHEAP). Those multipliers are: .52 for a 1-person family, .68 for 2, .84 for 3, 1.16 for 5, 1.32 for 6, 1.35 for 7, 1.38 for 8, 1.41 for 9, and 1.44 for a 10-person family. These multipliers may or may not result in figures equal to the true state median incomes for families of each size. Families with more than 10 members are subjected to the income threshold for a family with 10 members.

¹⁸ More information about the input datasets and the methods for combining three years of CPS data is available from the authors.

INTERPRETING THE ESTIMATES

The eligibility counts presented in the tables are our best estimates of CCDF eligibility. However, we also report the margin of error—or "confidence interval"—associated with the estimates in tables 1 through 4. The confidence interval is the range inside which the true number is likely to fall. In these tables, we show the "95-percent confidence interval" for each estimate.¹⁹ There is a 95 percent chance that the true number falls in the range defined by the 95percent confidence interval. For example, in the state rules simulation, our best estimate of the number of eligible children aged 0 through 2 is 2.10 million (Table 3); but we can be 95 percent certain only that the number is between 1.96 and 2.24 million.

Using three years of CPS data produces smaller confidence intervals than would be the case with only one year of CPS data, due to the increased sample size. However, the confidence intervals around some of the estimates—particularly the estimates for the states with smaller populations—are sizable relative to the estimates themselves. For instance, while the point estimate for the number of children eligible under Maine's own state rules is 56 thousand, the 95 percent confidence interval is 42 thousand to 70 thousand—plus or minus 18 percent of the point estimate. Ranges of this type are common for state-specific estimates generated from CPS data; nevertheless, readers should keep the confidence intervals in mind in interpreting the estimates.^{20,21}

¹⁹ The calculation of confidence intervals for estimates generated from three combined years of CPS data is described in Bureau of the Census, 2000.

²⁰ For a further discussion of estimates, confidence intervals, and interpreting results, see Tenny and Zahradnik, 2001.

²¹ In particular, a difference between a state's eligibility estimate from this report and the analogous estimate from the October 1997-based simulations may or may not represent a true increase or decrease in eligibility. Please contact the authors for more information on comparing these estimates with the prior set of estimates.

THE ELIGIBILITY ESTIMATES

Tables 1 through 6 present the TRIM3 estimates of CCDF eligibility as of October 1999. The tables disaggregate the nationwide estimates of children and families eligible for CCDF child care subsidies by state of residence and various demographic characteristics. Tables 1 through 4 juxtapose estimates of eligibility under October 1999 state rules and counts of children and families under federal maximum rules, with the odd-numbered tables counting children and the even-numbered counting families. Tables 5 and 6 provide a more detailed description of identified children, first under state rules (Table 5) and then under federal maximum rules (Table 6).

The tables show our estimates of eligibility in the "average month" of the year. For example, for a particular state and year we may estimate 100,000 children eligible in January, 105,000 in February, 102,000 in March, etc., and an average monthly number over the calendar year of 103,000. The numbers of children or families eligible in the average month will always be lower than estimates of those who are ever eligible during the calendar year.²²

The remainder of this section explains the layout of the tables, defines the dimensions on which eligibility is broken down, and highlights some interesting findings from this analysis.

STATE LEVEL ESTIMATES

Tables 1 and 2 list the estimates of eligible children and families in each state and the District of Columbia. Although there is a margin of error around each number, these are our best "point estimates" of the numbers of children and families eligible for CCDF-funded subsidies. The tables also include the 95 percent confidence interval associated with each estimate. As discussed above in the methodology section, the 95 percent confidence interval gives the range

²² Annual eligibility estimates are also produced by TRIM3, and can be requested from the authors.

that we are 95 percent confident contains the actual number of eligible children/families. Note that the confidence intervals can be fairly large relative to the point estimates, especially for smaller states, making cross-state comparisons difficult.

The last row in each table displays the nationwide total estimates that were highlighted in the introduction. TRIM3 estimates that 9.7 million children are eligible for CCDF subsidies under the state rules in effect in October 1999 and 15.7 million children are potentially eligible under federal law. At the family level, 5.8 million families are eligible under October 1999 state rules, while 9.5 million families are potentially eligible.

	Children H	Eligible under St	ate Rules	Chil	dren under Fed	eral
		(October 1999)		Ma	ximum Thresho	lds
State	Number	95% conf (l	ow-high)	Number	95% conf (l	low-high)
Alabama	118,900	85,200	152,600	223,300	176,900	269,700
Alaska	48,200	39,800	56,600	44,200	36,100	52,300
Arizona	190,000	147,600	232,400	298,300	245,100	351,400
Arkansas	73,700	53,200	94,300	139,100	110,900	167,300
California	1,660,900	1,517,100	1,804,600	1,945,200	1,789,600	2,100,800
Colorado	105,700	75,300	136,200	211,500	168,100	255,000
Connecticut	109,800	77,100	142,500	216,300	170,300	262,300
Delaware	31,100	22,900	39,300	59,800	48,500	71,200
DC	22,900	16,900	29,000	31,000	24,100	38,000
Florida	374,700	315,100	434,300	769,600	684,300	855,000
Georgia	321,400	255,100	387,700	501,400	418,600	584,100
Hawaii	86,400	69,100	103,700	80,100	63,500	96,700
Idaho	45,900	34,900	56,800	76,000	62,000	90,000
Illinois	372,200	311,900	432,500	746,400	661,200	831,600
Indiana	116,700	77,000	156,400	324,600	258,300	390,900
Iowa	66,900	45,300	88,600	183,500	147,800	219,200
Kansas	98,600	73,800	123,300	149,500	119,000	180,100
Kentucky	99,700	69,800	129,600	174,700	135,200	214,200
Louisiana	221,200	176,200	266,200	255,900	207,500	304,400
Maine	55,600	41,500	69,700	55,300	41,300	69,400
Maryland	101,000	64,600	137,300	285,700	224,000	347,400
Massachusetts	195,500	156,000	234,900	324,800	274,100	375,600
Michigan	384,300	325,300	443,200	602,500	528,600	676,400
Minnesota	217,100	168,800	265,300	276,000	221,500	330,500
Mississippi	162,600	130,600	194,500	177,800	144,400	211,200
Missouri	121,000	80,800	161,200	304,000	240,300	367,800
Montana	37,900	29,300	46,500	59,700	48,900	70,500
Nebraska	74,500	56,900	92,000	128,000	105,000	151,000
Nevada	111,300	89,500	133,100	129,600	106,000	153,200
New Hampshire	32,400	21,400	43,300	72,600	56,200	89,000
New Jersey	137,600	104,200	171,000	412,500	355,000	470,000
New Mexico	125,200	103,100	147,200	127,200	105,000	149,500
New York	636,300	561,900	710,700	943,500	852,900	1,034,000
North Carolina	387,300	327,900	446,800	437,500	374,500	500,600
North Dakota	34,900	27,500	42,300	39,800	31,900	47,800
Ohio	349,700	290,600	408,700	623,100	544,500	701,700
Oklahoma	82,100	58,300	105,800	154,600	122,000	187,300
Oregon	114,600	83,800	145,500	206,900	165,400	248,300

 Table 1

 State-by-State Estimates of Children Identified in the Simulations

	Children F	ligible under St	ate Rules	Chil	dren under Fed	eral
		(October 1999)		Ma	ximum Thresho	lds
State	Number	95% conf (le	ow-high)	Number	95% conf (l	ow-high)
Pennsylvania	438,200	374,000	502,500	638,500	561,200	715,700
Rhode Island	32,800	23,000	42,700	61,100	47,700	74,500
South Carolina	102,200	70,800	133,700	241,400	192,700	290,100
South Dakota	19,500	13,800	25,100	41,900	33,600	50,300
Tennessee	180,000	131,100	228,800	353,900	285,700	422,200
Texas	690,000	599,500	780,500	1,236,800	1,115,900	1,357,800
Utah	70,100	52,900	87,400	149,200	124,100	174,300
Vermont	26,000	19,200	32,700	31,200	23,800	38,700
Virginia	221,300	165,000	277,700	367,700	295,100	440,200
Washington	177,500	126,600	228,400	286,900	222,500	351,400
West Virginia	45,000	32,000	58,000	65,800	50,200	81,500
Wisconsin	132,100	93,100	171,100	353,200	289,200	417,100
Wyoming	16,000	11,700	20,400	32,900	26,700	39,100
Total	9,676,300	9,374,000	9,978,700	15,652,400	15,272,300	16,032,400

Table 1 (continued) State-by-State Estimates of Children Identified in the Simulations

Notes: The first column shows estimates for child care subsides funded by the Child Care Development Fund (CCDF) under the income eligibility thresholds and other eligibility rules set by the states in their October 1999 state plans. The second column shows estimates if all states raised their income eligibility thresholds to 85% of their State Median Income, the maximum allowed under Federal law, and set uniform values for other eligibility rules. Estimates are based on the Urban Institute's TRIM 3 microsimulation model, using three-year averages of data from the Current Population Survey (calendar years 1997-1999).

	Families F	ligible under St	ate Rules	Fam	ilies under Fede	ral
		(October 1999)		Ma	ximum Threshol	ds
State	Number	95% conf (l	ow-high)	Number	95% conf (l	ow-high)
Alabama	72,500	55,200	89,700	142,800	118,400	167,100
Alaska	26,200	22,200	30,300	23,500	19,700	27,400
Arizona	112,700	91,200	134,100	177,800	150,800	204,700
Arkansas	44,700	34,200	55,200	82,900	68,700	97,200
California	1,003,800	930,400	1,077,100	1,160,000	1,081,100	1,238,900
Colorado	58,400	43,500	73,400	117,300	96,000	138,700
Connecticut	56,900	41,400	72,400	115,200	93,200	137,200
Delaware	15,600	11,800	19,400	33,600	28,000	39,200
DC	13,000	10,100	16,000	17,700	14,300	21,200
Florida	219,000	189,100	248,900	469,600	425,900	513,300
Georgia	205,400	170,800	240,000	312,500	269,700	355,300
Hawaii	52,000	43,100	60,800	48,900	40,300	57,400
Idaho	24,600	19,400	29,900	44,300	37,300	51,300
Illinois	219,700	189,400	250,100	435,900	393,200	478,600
Indiana	73,900	53,200	94,600	186,600	153,600	219,600
Iowa	43,400	32,000	54,800	109,600	91,400	127,700
Kansas	60,200	47,400	72,900	90,500	74,800	106,100
Kentucky	74,000	57,200	90,800	123,200	101,500	145,000
Louisiana	145,700	121,700	169,600	169,600	143,600	195,500
Maine	38,800	31,000	46,500	38,600	30,900	46,300
Maryland	65,200	45,900	84,400	181,600	149,300	213,900
Massachusetts	113,200	93,500	132,800	195,600	169,800	221,500
Michigan	221,200	191,900	250,500	353,100	316,000	390,200
Minnesota	117,400	94,100	140,700	148,700	122,400	174,900
Mississippi	119,400	101,400	137,300	131,100	112,200	149,900
Missouri	75,200	54,400	96,000	203,300	169,100	237,400
Montana	22,400	18,100	26,800	37,100	31,500	42,700
Nebraska	40,800	32,200	49,300	68,700	57,700	79,800
Nevada	60,800	50,200	71,400	71,200	59,700	82,600
New Hampshire	20,600	14,900	26,400	45,500	36,900	54,000
New Jersey	81,300	64,500	98,100	254,200	224,600	283,900
New Mexico	62,600	52,400	72,800	64,400	54,100	74,700
New York	379,200	341,600	416,800	570,600	524,400	616,700
North Carolina	248,400	217,200	279,700	283,100	249,800	316,400
North Dakota	20,600	16,900	24,400	23,500	19,500	27,500
Ohio	211,100	181,100	241,100	375,100	335,200	415,100
Oklahoma	55,800	42,900	68,600	96,100	79,200	113,000
Oregon	69,200	53,500	84,800	120,600	99,900	141,300

 Table 2

 State-by-State Estimates of Families Identified in the Simulations

	Families E	ligible under Sta	ate Rules	Fam	ilies under Fede	eral
		(October 1999)		Ma	ximum Thresho	lds
State	Number	95% conf (le	ow-high)	Number	95% conf (l	ow-high)
Pennsylvania	243,300	212,000	274,700	380,400	341,300	419,500
Rhode Island	19,400	14,500	24,400	36,500	29,700	43,300
South Carolina	64,200	47,800	80,700	163,900	137,600	190,200
South Dakota	12,500	9,500	15,500	27,100	22,700	31,600
Tennessee	109,400	84,500	134,400	228,400	192,500	264,300
Texas	419,100	372,900	465,400	770,100	707,400	832,700
Utah	45,400	36,300	54,500	84,300	71,900	96,700
Vermont	17,500	13,800	21,100	21,300	17,300	25,300
Virginia	134,300	105,500	163,100	229,300	191,600	267,000
Washington	110,900	84,500	137,300	187,100	153,000	221,200
West Virginia	29,300	22,400	36,200	45,900	37,300	54,500
Wisconsin	71,900	52,900	90,900	205,100	172,900	237,200
Wyoming	9,200	7,000	11,400	19,500	16,400	22,700
Total	5,831,200	5,676,900	5,985,500	9,522,400	9,327,200	9,717,700

 Table 2 (continued)

 State-by-State Estimates of Families Identified in the Simulations

Notes: The first column shows estimates for child care subsides funded by the Child Care Development Fund (CCDF) under the income eligibility thresholds and other eligibility rules set by the states in their October 1999 state plans. The second column shows estimates if all states raised their income eligibility thresholds to 85% of their State Median Income, the maximum allowed under Federal law, and set uniform values for other eligibility rules. Estimates are based on the Urban Institute's TRIM 3 microsimulation model, using three-year averages of data from the Current Population Survey (calendar years 1997-1999).

ESTIMATES BY DEMOGRAPHIC CHARACTERISTICS

Tables 3 and 4 display estimates of average monthly eligibility on the national level broken down by the demographic characteristics of children and families. Below, we first describe the contents of the tables, and then present the results.

Description of the Tables

The left side of each table presents eligibility estimates under October 1999 state rules, while the right side shows estimates using the maximums allowed under federal law. The 95 percent confidence intervals are also included in these tables, indicating the precision of the estimates for each demographic sub-category. The "% of total" columns for the state rules and federal maximum estimates can be used to compare, within each demographic category, the relative size of each class of eligible children or families.

Tables 3 and 4 count children and families according to six characteristics:

- Age: This category separates eligibility estimates by the age of the child, or, in the family estimates, the age of the youngest child. Eligible children age 13 or older are only those that TRIM3 identifies as SSI recipients. However, estimates for this age group are not shown due to small sample sizes. The CPS does not capture changes in age across the year (or exact birthdays) so a child or family is in the same row for all months of eligibility.
- Annual poverty status: Family income as a percentage of poverty is calculated by comparing the annual family income to the annual poverty threshold. In contrast to the narrow definition of the family that TRIM uses when determining eligibility, i.e. all subfamilies considered separately, this breakdown uses the broad definition of the family which includes related subfamilies as part of the household's primary family. This definition is consistent with standard Census Bureau methodology for determining the poverty characteristics of the population. Note that a family's poverty status in the month(s) of eligibility may differ from the annual poverty status. For example, a family with annual income more than twice the poverty threshold may have much lower income in some months, and might be eligible for CCDF subsidies only in those months, but all of the family's months of eligibility would still be counted in the "200+" row. On the other hand, a family that only works for part of the year may have a low annual income that puts it in the poverty category, but it is only eligible in the months that the head is working and in those months its income is higher.
- Monthly income level: Monthly income includes the total cash income of the family head and spouse, plus the SSI benefits of eligible children. The monthly income breaks in the

table are based on annual incomes of \$10,000, \$15,000, \$20,000, and \$25,000.²³ Note, however, that family incomes can fluctuate over the months of the year, so having monthly income under \$833 is not necessarily equivalent to having annual income under \$10,000.

- Monthly TANF receipt: A family or child is classified by whether TANF is received by anyone in the family during the month. The variable used to determine TANF receipt is a TRIM-simulated variable that corrects for the under-reporting of TANF in the CPS data.²⁴ If a family receives TANF for part of the year but not the entire year, the family and children would be counted in the TANF row for CCDF-eligible months when TANF is received, and in the non-TANF row for CCDF-eligible months when TANF is not received.
- Work status: Families and children are categorized by the work status of the head and spouse (if present) of the family during the month: half-time or more, or anything less than half-time. Half time is defined as 20 hours per week. If the family head is married, both the head and spouse must work at least half time to be counted in the ">=half time" category. Adults are considered students only if they did not work at all that month. All students fall into the "< half time" category. If the work status of the head or spouse changes during the year, a family/child might fall into different categories in different months of eligibility.²⁵
- Marital status: Families and children are categorized by the marital status of the family head. The CPS does not capture changes in marital status during the year, so a family or child is in the same category for all months of eligibility.

Demographic Characteristics of Eligible Children

<u>Age.</u> The distributions of eligible children by age, shown in Table 3, are very similar across the two simulations. In the state rules simulation, 22 percent of the eligible children are under age 3, 23 percent are 3 through 5 years of age, and 54 percent are age 6 or older. The percentages are almost the same in the federal maximum simulation. However, the percentages translate into different absolute numbers in the two simulations. For instance, there are an

²³ Measured in 1999 dollars. For simulations on 1997 and 1998 data, these income breaks are deflated to 1997 and 1998 dollars to determine the numbers of families and children at each income level.

²⁴ The TRIM simulation of TANF, like the TRIM simulation of CCDF eligibility, operates on a monthly basis. The model simulates each family's eligibility for TANF in each month of the year. Eligible families that report TANF receipt are assumed to actually receive benefits. Additional eligible families are tagged as TANF recipients in a way that reproduces the actual size and characteristics of the TANF caseload according to the administrative data. This corrects for the fact that the CPS captures only about 61 percent of the actual average monthly TANF caseload (Wheaton and Giannarelli, 2000).
²⁵ The CPS does not capture changes from part-time to full-time status, or vice versa, during the year. Instead, the

²⁵ The CPS does not capture changes from part-time to full-time status, or vice versa, during the year. Instead, the survey asks for the usual hours worked per week during weeks that the person was working. However, this variable might still differ for a family or child across the months of eligibility if a parent was working in some months but a student in other months.

estimated 2.1 million eligible children under age 3 in the state rules simulation compared to 3.2 million in the federal maximum simulation.

Annual Poverty Status. The distribution of children by annual poverty status is quite different for the state rules simulation and the federal maximum simulation. Almost 4.1 million poor children are eligible for CCDF subsidies under state rules, slightly fewer than are counted under the federal maximum simulation.²⁶ However, poor children represent 42 percent of the identified population under state rules, while they make up only 27 percent of the eligible population under the federal maximum simulation. Under state rules, an additional 4.5 million eligible children (47 percent of the eligible children) live in families with annual incomes between 100 percent and 200 percent of the poverty line. Only 1.1 million eligible children, or 11 percent of the state rules total, have annual family incomes over 200 percent of poverty. In contrast, 32 percent of poverty. These results reflect the fact that many states use lower income thresholds than allowed by the federal regulations.

<u>Monthly Income.</u> The breakdown of eligible children by monthly family income also indicates that the maximum limits under federal law are more generous than the state rules. Under the federal maximum simulation, 48 percent of children in the "average month" live in families earning over \$2084 in that month (or roughly \$25,000 a year if earnings were stable over the months). The distribution of children among the other four categories is

²⁶ Although all states have income limits high enough to include all poor families, some states impose minimum work requirements that may disqualify some poor working families from eligibility.

	J.	ate Rules (Or	ctaher 1999)			Federal M	avimime	
	Number	95% conf (i	low-high)	% of Total	Number	95% conf (low-high)	% of Total
Age of Child								
0-2	2,101,000	1,958,000	2,244,000	21.7%	3,237,200	3,060,200	3,414,100	20.7%
3	711,000	627,600	794,300	7.3%	1,143,300	1,037,500	1,249,000	7.3%
4	771,300	684,500	858,100	8.0%	1,227,000	1,117,700	1,336,400	7.8%
S	774,400	687,600	861,300	8.0%	1,265,500	1,154,600	1,376,300	8.1%
6-12	5,247,900	5,023,400	5,472,400	54.2%	8,681,100	8,394,300	8,967,900	55.5%
13+1	n.a.	n.a.	п.а.	n.a.	n.a.	п.а.	п.а.	n.a
Annual Income Relative to the								
Poverty Line								
<100%	4,060,700	3,862,500	4,258,800	42.0%	4,220,200	4,018,300	4,422,200	27.0%
100<200%	4,542,100	4,333,200	4,750,900	46.9%	6,384,700	6,137,900	6,631,400	40.8%
200+	1,073,600	971,100	I, I76, I00	11.1%	5,047,500	4,827,300	5,267,700	32.2%
Monthly Income ^{2,3}								
\$0-\$833	2,028,600	1,888,400	2,168,800	21.0%	2,091,800	1,949,500	2,234,200	13.4%
\$834-\$1250	2,028,700	1,888,100	2,169,300	21.0%	2,077,100	1,934,800	2,219,300	13.3%
\$1251-\$1667	1,828,400	1,694,800	1,962,000	18.9%	2,000,200	1,860,600	2,139,900	12.8%
\$1668-\$2083	1,489,200	1,368,900	I,609,400	15.4%	1,985,000	1,846,300	2,123,600	12.7%
\$2084+	2,301,500	2,152,000	2,450,900	23.8%	7,498,300	7,231,200	7,765,400	47.9%
TANF Receipt ²								
receives	1,013,600	914,000	1,113,200	10.5%	1,061,800	959,900	1,163,700	6.8%
does not receive	8,662,700	8,376,100	8,949,300	89.5%	14,590,600	14,222,900	14,958,200	93.2%
Parent work status ^{2,4}								
>=half time ⁵	8,226,600	7,947,000	8,506,200	85.0%	13,474,700	13,120,500	13,828,900	86.1%
Student ⁶ or <half td="" time<=""><td>1,449,700</td><td>1,331,000</td><td>1,568,500</td><td>15.0%</td><td>2,177,600</td><td>2,032,500</td><td>2,322,800</td><td>13.9%</td></half>	1,449,700	1,331,000	1,568,500	15.0%	2,177,600	2,032,500	2,322,800	13.9%
Parent marital status ⁴								
married	2,829,700	2,664,200	2,995,100	29.2%	6,780,400	6,526,200	7,034,700	43.3%
unmarried	6,846,700	6,590,900	7,102,500	70.8%	8,871,900	8,582,000	9,161,900	56.7%
TOTAL CHILDREN	9 676 300	9.374.000	9.978.700		15 652 400	15.272.300	16.032.400	

 Table 3

 Demographic Characteristics of Children Identified in the Simulations (U.S. Total)

Notes: See text for detailed definitions of demographic categories.

Subtotals may not sum to totals due to rounding.

¹ Estimates for disabled teenagers are not shown due to small sample sizes.

² These characteristics are based on monthly information, and could vary for the same family over a year.

³ In 1999 dollars. Note that the upper limits of the categories are equivalent to 1/12 of \$10,000, \$15,000, \$20,000, and \$25,000.

⁴ A child's "parent" is defined as the family head, and spouse if present, regardless of his/her relationship to the child.

⁵ The head works 20+ hours/week, and if a spouse is present, the spouse also works 20+ hours/week.

 6 A student reports attending school and has no earnings during the month.

Source: Urban Institute's TRIM3 microsimulation model

relatively even. Under state rules, the highest income category constitutes only 24 percent of the total population of eligible children. The lowest two income categories--income up to \$833/month and \$834 to \$1250 per month--each contain about 21 percent of eligibles in the state rules simulation, compared to 13 percent in each category in the federal maximum simulation.

<u>TANF Receipt, Parent Work Status, and Marital Status.</u> The distribution of children by parent work status is very similar across the two simulations, with approximately 85 percent of children in families where the parents work at least half time. However, the distributions of eligible children by TANF receipt and by marital status differ between the two simulations.

In the state rules simulation, approximately 1.0 million of the children who are eligible for subsidies (11 percent of the total) are in families that receive TANF. The number of TANF children is only slightly higher in the federal maximum simulation, but in that simulation they comprise a smaller percentage of the total—about 7 percent. Almost all of the children in the federal maximum simulation but not in the state rules simulation are in families that do not receive TANF.

A larger share of eligible children reside in unmarried-parent families under the state rules (71 percent) than under the federal maximum simulation (57 percent). This is consistent with the generally lower incomes and higher poverty among those eligible under state rules as compared with the federal maximum rules.

Demographic Characteristics of Eligible Families

The demographic characteristics of families with CCDF-eligible children are largely consistent with those of the children themselves, and are shown in Table 4.

<u>Age.</u> The distribution of families by the age of the youngest child is very similar across the two simulations. In the state rules simulation, 32 percent of families have a child under age

23

3, 26 percent have a youngest child age 3, 4, or 5, and 41 percent have no child younger than 6. The comparable figures from the federal maximum simulation differ by no more than two percentage points from the state rules results.

Annual Poverty Status and Monthly Income. For each simulation, the distribution of families by annual poverty status is nearly identical to the distribution of children by poverty status. In the simulation of state rules, 41 percent of the eligible families are poor, 47 percent have incomes from 100 to 200 percent of poverty, and only 12 percent have income above 200 percent of poverty. In the simulation of the federal maximum regulations, 26 percent of families are poor on an annual basis, 41 percent have incomes between 100 and 200 percent of the poverty threshold, and 33 percent have income over 200 percent of poverty. The estimated number of poor families simulated to be eligible for CCDF subsidies is about the same in both simulations, at 2.4 million.

The distribution of monthly income among eligible families is also similar to that of eligible children. In each simulation, however, a higher percentage of families than children are in the two lowest monthly income category. For example, in the state rules simulation, 46 percent of eligible families earn less than \$1,250 a month, a larger portion than the 42 percent of eligible children in families earning less than \$1,250. These differences suggest that the eligible families with lower monthly incomes have fewer children, on average, than the eligible families with higher incomes.

<u>TANF Receipt, Parent Work Status, and Marital Status.</u> In each simulation, the distribution of eligible families by TANF receipt and by parent work status is very similar to the

24

Table 4	Demographic Characteristics of Families Identified in the Simulations (U.S. Total)
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	S	tate Rules (Oc	tober 1999)			Federal M ⁸	aximums	
	Number	95% conf (l	ow-high)	% of Total	Number	95% conf (i	low-high)	% of Total
Age of Youngest Child								
0-2	1,888,600	1,799,900	1,977,400	32.4%	2,908,400	2,798,600	3,018,100	30.5%
3	500,200	454,400	545,900	8.6%	824,700	765,900	883,600	8.7%
4	517,700	471,000	564,400	8.9%	804,200	746,100	862,400	8.4%
5	480,300	435,400	525,200	8.2%	776,700	719,800	833,700	8.2%
6-12	2,415,200	2,314,900	2,515,400	41.4%	4,167,900	4,036,900	4,299,000	43.8%
13^{+1}	n.a.	п.а.	п.а.	n.a.	n.a.	п.а.	п.а.	n.a.
Annual Income Relative to the								
Poverty Line								
<100%	2,373,700	2,274,200	2,473,100	40.7%	2,476,500	2,375,000	2,578,100	26.0%
100 < 200%	2,746,200	2,639,500	2,852,900	47.1%	3,862,900	3,736,800	3,989,100	40.6%
200+	711,300	656,700	766,000	12.2%	3,182,900	3,068,100	3,297,800	33.4%
Monthly Income ^{2,3}								
\$0-\$833	1,400,600	1,324,100	1,477,000	24.0%	1,446,300	1,368,700	1,524,000	15.2%
\$834-\$1250	1,287,500	1,214,100	1,360,900	22.1%	1,319,400	1,245,100	1,393,700	13.9%
\$1251-\$1667	1, 149, 100	1,079,600	1,218,600	19.7%	1,312,200	1,238,100	1,386,400	13.8%
\$1668-\$2083	861,500	801,400	921,600	14.8%	1,292,900	1,219,500	1,366,400	13.6%
\$2084+	1,132,500	1,063,600	1,201,300	19.4%	4,151,500	4,020,700	4,282,300	43.6%
TANF Receipt ²								
receives	613,900	563,200	664,700	10.5%	648,500	596,300	700,700	6.8%
does not receive	5,217,300	5,071,100	5,363,500	89.5%	8,873,900	8,685,100	9,062,700	93.2%
Parent work status ^{2,4}								
>=half time ⁵	4,918,000	4,775,900	5,060,100	84.3%	8,220,900	8,038,800	8,402,900	86.3%
Student ⁶ or <half td="" time<=""><td>913,200</td><td>851,300</td><td>975,100</td><td>15.7%</td><td>1,301,600</td><td>1,227,800</td><td>1,375,400</td><td>13.7%</td></half>	913,200	851,300	975,100	15.7%	1,301,600	1,227,800	1,375,400	13.7%
Parent marital status ⁴								
married	1,444,400	1,366,800	1,522,000	24.8%	3,648,800	3,526,100	3,771,600	38.3%
unmarried	4,386,800	4,252,400	4,521,200	75.2%	5,873,600	5,718,700	6,028,500	61.7%
TOTAL FAMILIES	5,831,200	5,676,900	5,985,500		9,522,400	9,327,200	9,717,700	

Notes: See text for detailed definitions of demographic categories. Subtotals may not sum to totals due to rounding.

¹ Estimates for disabled teenagers are not shown due to small sample sizes.

² These characteristics are based on monthly information, and could vary for the same family over a year.

³ In 1999 dollars. Note that the upper limits of the categories are equivalent to 1/12 of \$10,000, \$15,000, \$20,000, and \$25,000.

⁴ A child's "parent" is defined as the family head, and spouse if present, regardless of his/her relationship to the child.

⁵ The head works 20+ hours/week, and if a spouse is present, the spouse also works 20+ hours/week.

⁶ A student reports attending school and has no earnings during the month.

Source: Urban Institute's TRIM3 microsimulation model

distribution of eligible children by those characteristics. In the state rules simulation, 11 percent of eligible families (0.6 million) receive TANF, and 84 percent (4.9 million) are headed by parents who work at least half time.

The distributions of eligible families by marital status differs somewhat from the comparable distributions for eligible children. In both simulations, the percentage of eligible families headed by a married couple is lower than the percentage of eligible children in married-couple families. For instance, in the state rules simulation, 25 percent of eligible families are headed by a married couple, whereas 29 percent of eligible children are in married-couple families. The differences suggest that the eligible married-couple families have more eligible children, on average, than the eligible families where the family head is not married.

<u>CROSS TABULATION OF ELIGIBILITY BY FAMILY MARITAL STATUS, PARENTAL</u> <u>WORK STATUS, AND AGE</u>

Tables 5 and 6 are both child-level tables showing the distribution of eligibility for CCDF-funded subsidies looking at three characteristics at the same time: family marital status, parental work status, and age of the child.²⁷ The tables give a more nuanced picture of the composition of the eligible population than looking at the distribution by one characteristic at a time.

Description of the tables

Table 5 contains state rules estimates, while Table 6 contains estimates from the federal maximum simulation. The top panel in each table provides the estimate and the bottom panel expresses each cell as a percent of the total number of children estimated to be eligible for CCDF subsidies under the given set of rules. The left columns of each panel show the results for

²⁷ We do not show confidence intervals for these tables; contact the authors for that information.

children living in families with a married head, while the right columns include the results for children living in families with an unmarried head.

The tables divide children into two age groups—under age 6 and aged 6 to 12--and exclude children over the age of 12. Teenagers are only eligible for CCDF subsidies if they are disabled; the relatively small population of disabled teens that could be identified with the TRIM-CPS data did not allow the kind of subbreaks shown in this table.

As in Tables 3 and 4, the tables define work hours by the lesser of the hours worked by the head of the family and the spouse if present. Here, however, hours of work are broken into three categories: 1-20 hours, 21-34 hours, and 35 hours or more. In addition, the tables separate children whose parents are students from other children. A child is in the "student" category if his/her single parent is a student or if at least one of his/her married parents is a student.

Results of the cross-tabulation

Under the state rules simulation, full time work is the most common for eligible children of all ages and in both marital status categories (Table 5). Of the 9.6 million children under the age of 13 who are eligible for subsidies, 6.3 million (66 percent) have parents who work full time. This figure includes 0.6 million children under six with married parents (7 percent of the total), and 2.1 million children under six with a single parent (22 percent of the total). A larger share of the eligible children of single parents have parents who work full-time than their counterparts in married families (71 percent versus 54 percent, percents not shown).

As previously seen in Table 3, children estimated to be eligible for subsidies under state rules are much more likely to be children of single parents than children under the federal maximum regulations. A comparison of the results in Tables 5 and 6 highlights this finding. The lower income thresholds implemented by the states reduce the size of the population of

27

children with married parents by 58 percent (compare 2.8 million children in Table 5 to 6.8 million children in Table 6). In contrast, the estimated size of the eligible population of children with single parents under state rules is only 23 percent smaller than the population under federal maximum regulations (compare 6.8 million in Table 5 to 8.8 million in Table 6).

Approximately 33 percent of the children eligible under state rules are preschoolers with single parents, and more than one in five eligible children under state rules are preschoolers of a single parent who works full-time (Table 5). Across all ages and family marital statuses, the distribution of eligible children by parental work status remains fairly constant between the two simulations. The relative stability of this distribution is probably due to two counterbalancing forces. First, work and income are highly correlated, and lower income limits under the state rules simulation would typically create an eligible population with less work effort. However, many states impose minimum hours requirements, thus shifting the eligible population towards more work effort. In addition, working single parent families with only one parental earner are more likely to have lower incomes than working married parent families. Thus, the majority of the children eligible for CCDF subsidies under state rules have single parents, most of whom work full-time.

Table 5

Average Monthly Estimates of Children Under Age 13 Identified in the Simulations¹ By Family Marital Status, Parental Work Status, and Child's Age

State Rules (October 1999)

			Numbe	er			
	Mai	rried Family Head		Sin	igle Family Head		All
Weekly Hours of	Child Less	Child Aged		Child Less	Child Aged		
Work ²	than 6	6 to 12	Total	than 6	6 to 12	Total	Total
Student ³	151,500	110,200	261,600	411,900	220,200	632,100	893,800
1 - 20	243,100	307,900	551,000	224,000	245,700	469,700	1,020,700
21 - 34	201,100	282,500	483,500	423,500	473,900	897,300	1,380,900
35 or more	634,000	887,300	1,521,300	2,068,700	2,720,400	4,789,100	6,310,400
Total	1,229,700	1,587,800	2,817,400	3,128,100	3,660,100	6,788,200	9,605,600

	Ma	urried Family Head		Siı	ngle Family Head		All
Weekly Hours of	Child Less	Child Aged		Child Less	Child Aged		
Work ²	than 6	6 to 12	Total	than 6	6 to 12	Total	Total
Student ³	1.6%	1.1%	2.7%	4.3%	2.3%	6.6%	9.3%
1 - 20	2.5%	3.2%	5.7%	2.3%	2.6%	4.9%	10.6%
21 - 34	2.1%	2.9%	5.0%	4.4%	4.9%	9.3%	14.4%
35 or more	6.6%	9.2%	15.8%	21.5%	28.3%	49.9%	65.7%
Total	12.8%	16.5%	29.3%	32.6%	38.1%	70.7%	100.0%

Notes: See text for detailed definitions of demographic categories.

Subtotals may not sum to totals due to rounding.

¹Children over the age of 12 are excluded from this table due to insufficient sample size. Teenagers are only eligible for CCDF subsidies if they are disabled. ²If family head is married, hours worked by the spouse who works the fewest hours. Note that the work-hours categories differ from the categories used in Table 3.

³Single student or at least one student in the married couple.

Source: Urban Institute's TRIM3 microsimulation model

Table 6

Average Monthly Estimates of Children Under Age 13 Identified in the Simulations¹ By Family Marital Status, Parental Work Status, and Child's Age Federal Maximum Simulation

			Numbe	er			
	Man	ied Family Head		Sin	gle Family Head		All
Weekly Hours of	Child Less C	hild Aged 6		Child Less C	hild Aged 6		
Work ²	than 6	to 12	Total	than 6	to 12	Total	Total
Student ³	221,600	179,000	400,600	413,700	222,900	636,500	1,037,100
1 - 20	630,600	733,700	1,364,300	268,200	296,100	564,300	1,928,600
21 - 34	491,000	645,400	1,136,500	473,600	540,100	1,013,700	2,150,200
35 or more	1,614,600	2,241,800	3,856,400	2,759,600	3,822,200	6,581,800	10,438,100
Total	2,957,800	3,800,000	6,757,800	3,915,100	4,881,200	8,796,300	15,554,100

			Percent of	Total			
	V	larried Family Head		S	ngle Family Head		All
Weekly Hours of	Child Less	Child Aged 6		Child Less	Child Aged 6		
Work ²	than 6	to 12	Total	than 6	to 12	Total	Total
Student ³	1.4%	1.2%	2.6%	2.7%	1.4%	4.1%	6.7%
1 - 20	4.1%	4.7%	8.8%	1.7%	1.9%	3.6%	12.4%
21 - 34	3.2%	4.1%	7.3%	3.0%	3.5%	6.5%	13.8%
35 or more	10.4%	14.4%	24.8%	17.7%	24.6%	42.3%	67.1%
Total	19.0%	24.4%	43.4%	25.2%	31.4%	56.6%	100.0%

Notes: See text for detailed definitions of demographic categories.

Subtotals may not sum to totals due to rounding.

¹Children over the age of 12 are excluded from this table due to insufficient sample size.

²If family head is married, hours worked by the spouse who works the fewest hours. Note that the work-hours categories differ from the categories used in Table 3.

³Single student or at least one student in the married couple.

Source: Urban Institute's TRIM3 microsimulation model

ELIGIBILITY AND NEED

One important issue that must be considered when reviewing these estimates is that they are only estimates of *eligibility* for subsidies, not who needs subsidies, who receives subsidies, or the value of potential subsidies. Not all eligible families receive subsidies, either because they do not want or need assistance, they do not apply for benefits for some other reason, or they apply for subsidies but do not receive assistance due to limited subsidy availability and/or a limited supply of providers who will accept CCDF subsidies. Among those families who do receive subsidies, many are required to pay a co-payment, and therefore subsidized care does not always equal free care.

The relationship between *eligibility* for subsidies and *need* for subsidies is particularly complex. Some eligible families do not apply for benefits because they prefer other methods of managing child care expenses. Other parents who are currently not employed (and therefore not technically eligible for subsidies according to these estimates) might choose to work if they were aware of and could obtain a subsidy. However, the TRIM3 eligibility estimates do provide an important first step for analyzing the population targeted by the CCDF program.

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APPENDIX TABLES

Appendix Table 1 Minimum Number of Work Hours Required for CCDF Eligibility According to October 1999 State Plans

State	Minimum Hours ^{1,2}
Alabama	
Alaska	
Arizona	
Arkansas	
California	
Colorado	
Connecticut	
Delaware	
District of Columbia	20
Florida	20
Georgia	25 ³
Hawaii	25
Idaho	
Illinois	
Indiana	
Indiana	20.4
lowa	28
Kansas	
Kentucky	
Louisiana	20
Maine	
Maryland	
Massachusetts	
Michigan	
Minnesota	20
Mississippi	20 5
Missouri	
Montana	
Nebraska	
Nevada	
New Hampshire	
New Jersey	30
New Mexico	
New York	
North Carolina	
North Dakota	
Ohio	
Oklahoma	
Oregon	
Pennsylvania	
Rhode Island	20
South Carolina	
South Dakota	20
Tennessee	40
Texas	
Utah	15
Vermont	
Virginia	
Washington	
West Virginia	
Wisconsin	
Wyoming	

¹If the state is marked "---", the state plan did not indicate a minimum work requirement

²Unless otherwise noted, if there are two parents in the family both must work the minimum hours.

³If two parents are in the family, their combined work hours must be 35.

⁴Work requirement waived if the family is on TANF.

⁵If two parents are in the family, one must work 30 hours and the other must work 20.

Appendix Table 2 Maximum Age of Disabled Child for CCDF Eligibility According to October 1999 State Plans

State	Maximum Age
Alahama	18
Alaska	18
Arizona	12
Arkansas	12
California	18
Colorado	10
Connecticut	19
Delaware	18
District of Columbia	18
Florida	17
Georgia	18
Hawaii	18
Idaho	10
Illinois	19
Indiana	19
Inutana	18
Kongog	10
Kalisas	10
Louisiono	19
Louisiana	10
Mamland	19
Maryland	18
Massachusetts	10
Michigan	1/
Minnesota	14
Mississippi	18
Missouri	1/
Montana	18
Nebraska	18
Nevada	19
New Hampshire	1/
New Jersey	18
New Mexico	18
New York	17
North Carolina	17
North Dakota	18
Ohio	12
Oklahoma	18
Oregon	17
Pennsylvania	18
Rhode Island	19
South Carolina	18
South Dakota	17
Tennessee	18
Texas	19
Utah	18
Vermont	19
Virginia	17
Washington	18
West Virginia	17
Wisconsin	12
Wyoming	18

Appendix Table 3 Special Income Calculations for Determining CCDF Eligibility¹ According to October 1999 State Plans

STATE	Income Disregard ²	Earned Income Deduction ³
Alabama		
Alaska		
Arizona		
Arkansas		
California		
Colorado		
Connecticut		
Delaware		
District of Columbia		
Florida		
Georgia		
Hawaji		25%
Idaho		2370
Illinois		
Indiana		1070
Inutatia		
lowa		
Kansas		
Leuisiana		
Louisiana		
Maine		
Maryland		
Massachusetts		
Michigan		
Minnesota		
Mississippi		
Missouri		
Montana		
Nebraska		
Nevada		
New Hampshire		
New Jersey		
New Mexico	SSI	
New York		
North Carolina	TANF, SSI, other assistance	
North Dakota		
Ohio		
Oklahoma		
Oregon		
Pennsylvania		
Rhode Island		
South Carolina		
South Dakota		4%
Tennessee		
Texas		
Utah	TANF	\$100
Vermont		
Virginia		
Washington		$10\% \text{ or } 15\%^4$
West Virginia	SSI	
Wisconsin		
Wyoming	SSI	

¹If the state is marked "---", the state plan did not indicate any special income calculation, so family income is all cash income.

²Disregard this type of income when determining eligibility.

³Deduct this amount from earned income only before determining eligibility.

⁴Deduct 10% if earnings are less than the federal poverty level, deduct 15% if earnings are greater than or equal to the federal poverty level.

Appendix Table 4 Maximum Monthly Income Limit for Initial Eligibility According to October 1999 State Plans

					Family	Size ^{1,2}				
State	1	2	3	4	5	6	7	8	9	10
Alabama	893	1,198	1,504	1,809	2,115	2,420	2,726	3,031	3,031	3,031
Alaska	0	2,990	3,694	4,397	5,101	5,804	6,508	7,211	7,915	8,618
Arizona	1,134	1,522	1,909	2,297	2,685	3,073	3,460	3,848	4,236	4,624
Arkansas	949	1,241	1,533	1,825	2,117	2,409	2,464	2,519	2,573	2,628
California	2,633	2,633	2,821	3,134	3,636	4,137	4,231	4,325	4,419	4,513
Colorado	1,271	1,705	2,139	2,574	3,009	3,444	3,878	4,313	4,748	5,183
Connecticut	1,575	2,060	2,545	3,029	3,514	3,999	4,090	4,181	4,271	4,362
Delaware	1,065	1,429	1,793	2,158	2,522	2,886	3,250	3,615	3,979	4,343
District of Columbia	0	2,076	2,326	2,576	2,826	3,076	3,326	3,576	3,826	4,076
Florida	1,006	1,356	1,706	2,056	2,406	2,756	3,106	3,456	3,806	4,156
Georgia	1,574	1,798	2,023	2,248	2,428	2,608	2,787	2,967	3,145	3,324
Hawaii	1,779	2,326	2,874	3,421	3,969	4,516	4,619	4,722	4,824	4,926
Idaho	0	1,356	1,706	2,056	2,406	2,756	3,106	3,456	3,806	4,156
Illinois	1	1,472	1,818	2,165	2,511	2,857	2,922	2,987	3,052	3,117
Indiana	959	1,294	1,628	1,962	2,296	2,625	2,956	3,288	3,619	3,950
Iowa	1,064	1,429	1,793	2,157	2,521	2,886	3,250	3,614	3,978	4,343
Kansas	0	1,705	2,139	2,574	3,009	3,444	3,878	4,313	4,748	5,183
Kentucky	1,099	1,475	1,851	2,227	2,603	2,979	3,355	3,731	4,107	4,483
Louisiana	1,498	1,959	2,420	2,880	3,341	3,802	3,889	3,975	4,061	4,148
Maine	1,777	2,324	2,871	3,418	3,965	4,512	4,615	4,717	4,820	4,922
Maryland	1,157	1,514	1,870	2,226	2,582	2,938	3,005	3,072	3,138	3,205
Massachusetts	0	1,843	2,276	2,709	3,143	3,576	3,657	3,738	3,819	3,901
Michigan	0	1,758	2,172	2,586	3,000	3,414	3,828	4,241	4,653	5,069
Minnesota	0	2,575	3,181	3,787	4,392	4,998	5,112	5,225	5,339	5,453
Mississippi	0	1,917	2,333	2,750	3,250	3,667	3,667	3,667	3,667	3,667
Missouri	917	1,199	1,482	1,764	2,046	2,328	2,381	2,434	2,487	2,539
Montana	1,030	1,383	1,735	2,088	2,440	2,793	3,145	3,498	3,851	4,203
Nebraska	0	1,671	2,104	2,535	2,966	3,399	3,830	4,261	4,261	4,261
Nevada	1,732	2,265	2,798	3,331	3,864	4,397	4,497	4,597	4,697	4,797
New Hampshire	1,305	1,752	2,198	2,645	3,091	3,538	3,984	4,431	4,877	5,324
New Jersey	1,030	1,383	1,735	2,088	2,440	2,793	3,145	3,498	3,850	4,203
New Mexico	1,373	1,843	2,313	2,783	3,253	3,723	4,193	4,663	5,133	5,603
New York	1,447	1,893	2,338	2,783	3,229	3,674	3,758	3,841	3,925	4,008
North Carolina	1,683	2,201	2,719	3,237	3,755	4,273	4,370	4,467	4,564	4,661
North Dakota	0	1,979	2,445	2,910	3,376	3,841	3,929	4,016	4,103	4,191
Ohio	0	1,673	2,105	2,536	2,967	3,399	3,831	4,263	4,694	5,126
Oklahoma	0	1,936	1,936	1,936	1,936	1,936	1,936	1,936	1,936	1,936
Oregon	0	1,775	2,087	2,289	2,674	3,060	3,447	3,832	3,832	3,832
Pennsylvania	1,270	1,705	2,139	2,574	3,009	3,444	3,878	4,313	4,748	5,183
Rhode Island	0	2,074	2,603	3,131	3,660	4,189	4,710	5,250	5,775	6,304
South Carolina	858	1,152	1,446	1,740	2,034	2,328	2,621	2,915	3,209	3,501
South Dakota	0	1,383	1,736	2,088	2,441	2,793	3,146	3,498	3,851	4,204
Tennessee	1,255	1,641	2,027	2,413	2,799	3,185	3,257	3,329	3,402	3,474
Texas	1,030	1,383	1,735	2,088	2,440	2,793	3,146	3,498	3,851	4,203
Utah	0	1,453	1,794	2,136	2,478	2,820	2,884	2,948	3,012	3,076
Vermont	2,586	2,586	2,586	3,115	3,645	4,176	4,176	4,176	4,176	4,176
Virginia	1,271	1,704	2,141	2,575	3,010	3,445	3,880	4,312	4,748	5,183
Washington	1,202	1,613	2,024	2,435	2,847	3,258	3,669	4,080	4,492	4,903
West Virginia	0	1,382	1,735	2,087	2,440	2,792	3,145	3,497	3,850	4,202
Wisconsin	0	1,521	1,909	2,296	2,684	3,072	3,460	3,847	4,235	4,623
Wyoming	914	1,226	1,539	1,852	2,164	2,477	2,790	3,102	3,414	3,727

¹A few state plans did not give limits for the largest family sizes (sizes 9 and 10). In those cases,

we estimated the limits based on the patterns for other family sizes.

²Not all states gave limits for family size 1, which would always be a child-only unit with one child.

TRIM does not use the family size 1 limits for any families, because it treats non-parent caretakers the same as parents in all states.

Appendix Table 5 Maximum Monthly Income Limit for Continuing Eligibility According to October 1999 State Plans

	Family Size ^{1,2}									
State	1	2	3	4	5	6	7	8	9	10
Alabama	1,843	1,843	2,313	2,783	3,253	3,723	4,193	4,663	4,663	4,663
Alaska	0	2,990	3,694	4,397	5,101	5,804	6,508	7,211	7,915	8,618
Arizona	1,134	1,522	1,909	2,297	2,685	3,073	3,460	3,848	4,236	4,624
Arkansas	949	1,241	1,533	1,825	2,117	2,409	2,464	2,519	2,573	2,628
California	2,633	2,633	2,821	3,134	3,636	4,137	4,231	4,325	4,419	4,513
Colorado	1,271	1,705	2,139	2,574	3,009	3,444	3,878	4,313	4,748	5,183
Connecticut	2,363	3,090	3,817	4,544	5,271	5,998	6,135	6,271	6,407	6,544
Delaware	1,065	1,429	1,793	2,158	2,522	2,886	3,250	3,615	3,979	4,343
District of Columbia	0	2,076	2,326	2,576	2,826	3,076	3,326	3,576	3,826	4,076
Florida	1,006	1,356	1,706	2,056	2,406	2,756	3,106	3,456	3,806	4,156
Georgia ³	1.816	2.075	2.334	2.594	2.801	3.009	3.216	3.424	3.609	3.814
Hawaii	1 779	2,326	2,874	3 421	3 969	4 516	4 619	4 722	4 824	4 926
Idaho	0	1 356	1 706	2.056	2,406	2,756	3 106	3 456	3 806	4 1 5 6
Illinois	1	1 472	1 818	2,000	2 511	2,750	2 922	2 987	3 052	3 117
Indiana	1 275	1 718	2 161	2,105	3 048	3 481	3 921	4 361	4 800	5 240
Iowa	1,275	1 429	1 793	2,000	2 521	2,886	3 250	3 614	3 978	4 343
Kansas	1,001	1 705	2 1 3 9	2,574	3 009	3 444	3 878	4 313	4 748	5 183
Kentucky	1.099	1,475	1.851	2.227	2,603	2,979	3,355	3,731	4,107	4,483
Louisiana	1,498	1.959	2,420	2,880	3.341	3,802	3,889	3,975	4.061	4,148
Maine	1,777	2.324	2.871	3.418	3,965	4.512	4.615	4,717	4.820	4,922
Maryland	1.157	1.514	1.870	2.226	2,582	2,938	3.005	3.072	3,138	3.205
Massachusetts ⁴	0	2 1 2 2	2 860	4 606	5 2 4 2	6.070	6 217	6 255	6 404	6 621
Michigan	0	1 758	2 172	2 586	2 000	2 414	2 8 2 8	4 241	4 652	5.060
Minnasata	0	2 575	2,172	2,380	4 202	4 008	5,020	5 225	5 220	5 452
Miagigginni	0	2,373	2 2 2 2 2	2,750	2 250	4,990	2 667	2,223	2,539	2,455
Missouri	017	1,917	2,333	2,730	3,230	2 2 2 8	2 281	2 424	2 487	2 520
Mantana	1 020	1,199	1,402	2 099	2,040	2,526	2,301	2,434	2,407	4 202
Nebraska	1,030	1,585	2 104	2,088	2,440	3 300	3,143	4 261	4 261	4,203
Novada	1 722	2 265	2,104	2,333	2,900	4 207	4 407	4,201	4,201	4,201
Now Hampshira	1,752	1 752	2,798	2 645	2 001	2 5 2 9	2 084	4,377	4,077	5 224
New Interpolite	1,303	2 204	2,198	2,043	4 067	3,556	5 242	5 820	6 417	7.004
New Mariaa	1,/1/	1.942	2,092	3,473	2 252	2 722	3,242	3,629	5 1 2 2	5,602
New Wextco	1,373	1,045	2,313	2,783	3,233	3,723	4,193	2 8/1	2 025	3,003
New TOIK	1,447	2 201	2,338	2,785	2 755	4 272	4 270	3,041	3,923	4,008
North Dalvata	1,085	2,201	2,719	2,237	3,133	4,273	4,570	4,407	4,304	4,001
Obio	0	1,979	2,445	2,910	2,067	2 200	2 821	4,010	4,105	4,191
Olilo	0	1,075	2,103	2,330	2,907	1 026	1 026	4,203	1 026	1 026
Oregon	0	1,930	2 087	2 280	2 674	3 060	3 147	3 832	3 832	3 832
Doppsylvania	1 614	2 167	2,007	2,207	2,074	1 276	4 028	5,052	6.022	6 5 9 5
Phodo Island	1,014	2,107	2,719	2 121	3,823	4,370	4,920	5 250	5 775	6 204
South Carolina	1 201	2,074	2,003	2 425	2,846	4,189	2,660	3,230	3,773	4 002
	1,201	1,012	2,024	2,435	2,040	3,237	3,009	4,080	4,491	4,902
South Dakota	0	1,706	2,140	2,575	3,010	3,445	3,879	4,314	4,749	5,184
Tennessee	1,255	1,641	2,027	2,413	2,799	3,185	3,257	3,329	3,402	3,474
Texas	1,030	1,383	1,735	2,088	2,440	2,793	3,146	3,498	3,851	4,203
Utah	0	2,205	2,724	3,242	3,761	4,280	4,377	4,475	4,572	4,669
Vermont	2,586	2,586	2,586	3,115	3,645	4,176	4,176	4,176	4,176	4,176
Virginia	1,271	1,704	2,141	2,575	3,010	3,445	3,880	4,312	4,748	5,183
Washington	1,202	1,613	2,024	2,435	2,847	3,258	3,669	4,080	4,492	4,903
West Virginia	0	1,382	1,735	2,087	2,440	2,792	3,145	3,497	3,850	4,202
Wisconsin	0	1,521	1,909	2,296	2,684	3,072	3,460	3,847	4,235	4,623
Wyoming	914	1,226	1,539	1,852	2,164	2,477	2,790	3,102	3,414	3,727

¹A few state plans did not give limits for the largest family sizes (sizes 9 and 10). In those cases,

we estimated the limits based on the patterns for other family sizes.

²Not all states gave limits for family size 1, which would always be a child-only unit with one child.

TRIM does not use the family size 1 limits for any families, because it treats non-parent caretakers the same as parents in all states.

³Initial eligibility limit for children with disabilities (continuing eligibility limit is the same as initial for all other children).

⁴Initial eligibility limit for children with disabilities, continuing eligibility limit for all other children.

					Famil	y Size				
State	1	2	3	4	5	6	7	8	9	10
Alabama	1,777	2,324	2,870	3,417	3,964	4,510	4,613	4,715	4,818	4,920
Alaska	2,117	2,768	3,420	4,071	4,722	5,374	5,496	5,618	5,740	5,862
Arizona	1,736	2,270	2,804	3,339	3,873	4,407	4,507	4,607	4,707	4,808
Arkansas	1,423	1,861	2,299	2,737	3,175	3,613	3,696	3,778	3,860	3,942
California	2,034	2,660	3,285	3,911	4,537	5,163	5,280	5,397	5,515	5,632
Colorado	2,173	2,841	3,510	4,178	4,847	5,515	5,641	5,766	5,891	6,017
Connecticut	2,678	3,502	4,326	5,150	5,974	6,798	6,953	7,107	7,262	7,416
Delaware	2,327	3,043	3,759	4,475	5,191	5,906	6,041	6,175	6,309	6,443
District of Columbia	2,067	2,703	3,339	3,976	4,612	5,248	5,367	5,486	5,605	5,725
Florida	1,838	2,404	2,970	3,536	4,101	4,667	4,773	4,879	4,985	5,091
Georgia	1,902	2,488	3,073	3,658	4,244	4,829	4,939	5,049	5,158	5,268
Hawaii	2,154	2,816	3,479	4,142	4,805	5,467	5,592	5,716	5,840	5,964
Idaho	1,699	2,222	2,744	3,267	3,790	4,313	4,411	4,509	4,607	4,705
Illinois	2,129	2,785	3,440	4,095	4,750	5,405	5,528	5,651	5,774	5,897
Indiana	1.974	2.581	3,188	3,795	4.403	5.010	5,124	5.238	5.351	5.465
Iowa	1.907	2.494	3.081	3.668	4.255	4.842	4.952	5.062	5,172	5.282
Kansas	1,948	2.548	3.148	3.747	4.347	4.946	5.059	5,171	5.283	5.396
Kentucky	1.696	2.217	2.739	3.261	3.782	4.304	4,402	4,500	4,598	4.695
Louisiana	1.698	2.220	2.742	3.264	3.787	4.309	4.407	4.505	4.603	4,701
Maine	1,770	2.314	2.859	3.403	3.948	4,492	4.594	4.696	4,798	4.900
Maryland	2.450	3.203	3.957	4.711	5.465	6.218	6.360	6.501	6.642	6.784
Massachusetts	2,395	3 131	3 868	4 605	5 342	6 079	6 217	6 355	6 493	6 6 3 1
Michigan	2,119	2,771	3 422	4 074	4 72.6	5 378	5 500	5 623	5 745	5 867
Minnesota	2 231	2 918	3 604	4 291	4 977	5 664	5 793	5 921	6 050	6 1 7 9
Mississinni	1 556	2 034	2 513	2 992	3 471	3 949	4 039	4 129	4 219	4 308
Missouri	1,922	2,034	3 105	3 696	4 287	4 879	4 990	5 100	5 211	5 322
Montana	1,522	2,019	2 592	3 085	3 579	4 073	4 165	4 258	4 350	4 443
Nebraska	1,001	2,070	3 178	3 784	4 389	4 995	5 108	5 222	5 335	5 449
Nevada	1,963	2,575	3 171	3 776	4 380	4 984	5 097	5 210	5 324	5 4 3 7
New Hampshire	2 209	2,889	3 569	4 249	4 928	5 608	5 736	5 863	5 991	6 1 1 8
New Jersey	2,209	3 243	4 006	4 770	5 533	6 296	6 4 3 9	6 582	6 725	6 868
New Mexico	1 475	1 928	2 382	2 836	3 289	3 743	3 828	3 913	3 998	4 083
New York	2 059	2 693	3 3 2 7	3 960	4 594	5 228	5 346	5 465	5 584	5 703
North Carolina	1 908	2,075	3 082	3 668	4 255	4 842	4 952	5,062	5 173	5 283
North Dakota	1,700	2,750	2 792	3 324	3 855	4 387	4 487	4 587	4 686	4 786
Ohio	2 060	2,200	3 328	3 961	4 595	5 229	5 348	5 467	5 586	5 704
Oklahoma	1 631	2,133	2,635	3 137	3 639	4 140	4 235	4 329	4 423	4 517
Oregon	1,001	2,133	3 226	3 841	4 4 56	5 070	5 185	5 301	5 416	5 531
Pennsylvania	2.040	2,668	3 295	3 923	4 551	5 179	5 296	5 414	5 532	5 649
Rhode Island	2,284	2,987	3 689	4 392	5 095	5 797	5 929	6.061	6 193	6 325
South Carolina	1 829	2,392	2,955	3 518	4 080	4 643	4 749	4 854	4 960	5 065
South Dakota	1,025	2,352	2,786	3 317	3 848	4 379	4 478	4 578	4 677	4 777
Tennessee	1,723	2,230	2,700	3 417	3 964	4 511	4 613	4 716	4 818	4 921
Texas	1,768	2,321	2,876	3 400	3 945	4 489	4 591	4 693	4 795	4 897
Utah	1 872	2,312	3 024	3 600	4 176	4 752	4 860	4 968	5 076	5 184
Vermont	1,072	2,110	3 083	3,670	4 257	4 845	4 955	5.065	5 175	5 285
Virginia	2 101	2,748	3 394	4 041	4 688	5 334	5 455	5 577	5 698	5 819
Washington	2,101	2,740	3 417	4 067	4 718	5 369	5 491	5 613	5 735	5 857
West Virginia	1 608	2,700	2 598	3 093	3 588	4 083	4 176	4 269	4 361	4 4 5 4
Wisconsin	2 100	2,103	3 408	4 057	4 706	5 3 5 5	5 476	5 508	5 720	5 842
Wyoming	1 783	2,739	2 881	3 420	3 978	4 527	4 620	4 732	4 835	4 938
", young	1,705	2,352	2,001	5,747	5,910	⊐,547	⊐,049	т,154	т,055	т,950

Appendix Table 6 Federal Maximum Monthly Income Limit 85% CY 1997 Median Income