

IV. THE CONTRIBUTION OF ECONOMIC CHANGE TO RECENT TRENDS IN FOOD STAMP PROGRAM OUTCOMES

A. DESCRIPTION OF OUTCOMES

In this chapter, we present the results of preliminary simulations of the contribution of changes in state unemployment rates to recent trends in FSP caseloads, costs, and characteristics.

We first consider six major outcomes describing FSP participation and costs:

1. The total number of participating food stamp units per state
2. The participation rate of eligible food stamp units per state
3. The total number of individuals receiving food stamps per state
4. The total food stamp benefits paid per state
5. Average food stamp benefits paid per unit
6. Average number of individuals per participating food stamp unit

We then consider six major outcomes describing the characteristics of households receiving food stamps:

1. The total number of food stamp households per state receiving AFDC/TANF
2. The total number of food stamp households per state with earnings
3. The total number of food stamp households per state receiving AFDC/TANF plus earnings
4. The percentage of food stamp households per state receiving AFDC/TANF
5. The percentage of food stamp households per state with earnings
6. The percentage of households receiving AFDC/TANF plus earnings

As noted in Chapter II, our focus in these simulations is to see how much of the simulated change in FSP outcomes can be accounted for by changes in unemployment from 1992 through 1998, as opposed to welfare reform. We focus once again on comparing simulated outcomes for the *last month* of a three-year simulation.

In the following section, we describe the anticipated effects of economic change on simulated changes in FSP outcomes during the 1990s. We then describe the contribution of economic change to simulated trends in the national FSP and to recent trends in FSP outcomes for individual states. We also consider whether the simulated contribution of economic change differs according to the type of welfare reform program in place in particular states and according to the magnitude of economic change in the state in question.

B. ANTICIPATED EFFECTS

We expected that economic change would be responsible for some, but not all, of the changes in simulated FSP outcomes between 1992 and 1998. While declining unemployment rates in most states were likely to lead to lower FSP participation and benefits, welfare reform efforts were also likely to lead to lower FSP participation and benefits as some households left both AFDC/TANF and the FSP. Because welfare reform is likely to have more dramatic effects on a state's AFDC/TANF caseload than on its entire FSP caseload, we expected economic change to contribute more to changes in the number of FSP households than to changes in the number of AFDC/TANF households. We also expected the proportionate contribution of economic change to declines in FSP caseload and costs to be greater in states with relatively generous TANF programs and in states with relatively larger decreases in unemployment from 1992 through 1998. (By "generous" TANF programs, we refer to programs with longer time limits and less aggressive work requirements.)

C. THE ECONOMY'S CONTRIBUTION TO FSP CHANGES NATIONALLY AND IN INDIVIDUAL STATES

1. FSP Caseloads and Costs

MATH STEWARD simulations suggest that changes in unemployment rates have had a larger effect than welfare reform on national outcomes for the Food Stamp Program. Of the

simulated reduction in FSP participation from 1992 through 1998, two-thirds could be attributed to economic change, while one-third was attributable to welfare reform, that is, to changes in AFDC/TANF and related child-care policies (Table IV.1). Changes in unemployment rates were responsible for 66.7 percent of the simulated reduction in the number of FSP units, 72.6 percent of the simulated reduction in the FSP participation rate, and 63 percent of the simulated reduction in the number of individuals receiving food stamps.

The contribution of economic change to reduced food stamp costs was somewhat smaller than the contribution of economic change to reduced food stamp participation (Table IV.1). Of the simulated reduction in total FSP costs from 1992 through 1998, about three-fifths (57.5 percent) was due to changes in unemployment rates, and the other two-fifths due to welfare reform. While economic growth reduced FSP caseloads, it was responsible for only 29.7 percent of simulated changes in average FSP benefits per unit. Welfare reform, in contrast, reduced both FSP caseloads and average FSP benefits and was hence responsible for a greater share of benefit reductions than caseload reductions.

When interpreting the respective contributions of welfare reform and economic change to reductions in national FSP caseloads and costs, it is important to emphasize that the MATH STEWARD simulations do not capture all of the actual reductions in FSP caseloads and costs between 1992 and 1998 (Appendix A). From December 1992 to December 1998, national FSP caseloads fell by 26 percent, the number of individuals receiving food stamps fell by 29 percent, and total FSP benefits fell by 28 percent. Over this same period, the number of FSP units with AFDC/TANF income fell by 44 percent, and the proportion of FSP units with AFDC/TANF income fell by 24 percent (see Table A.1 in the Appendix). MATH STEWARD simulated 53 percent, 55 percent, 68 percent, 63 percent, and 66 percent of these reductions, respectively. In

TABLE IV.1
Food Stamp Participation and Costs: Simulated Role of the Economy

	<i>Units Receiving Food Stamps</i>	<i>Participation Rate of Eligible Units</i>	<i>Individuals Receiving Food Stamps</i>	<i>Total Food Stamp Benefits Paid</i>	<i>Average Food Stamp Benefits per Unit</i>	<i>Average Size of Food Stamp Unit</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
National	66.7	72.6	63.0	57.5	29.7	35.0
Alabama	107.7	115.3	96.1	82.1	49.0	36.9
Alaska	231.6	193.1	237.1	179.1	-47.7	907.8
Arizona	54.1	56.8	46.5	45.4	15.2	-7.8
Arkansas	32.5	37.5	30.9	29.9	22.4	21.0
California	94.1	106.0	88.8	86.9	562.0	428.7
Colorado	74.5	77.7	67.7	67.8	43.7	7.1
Connecticut	51.8	56.1	45.6	35.1	-8.8	6.5
Delaware	89.8	94.7	87.6	82.3	65.8	79.0
District of Columbia	-24.7	45.0	-244.9	95.9	65.5	260.6
Florida	51.3	55.2	47.9	44.8	26.7	27.4
Georgia	70.0	75.2	74.4	70.4	69.8	100.1
Hawaii	138.0	128.7	162.0	222.5	-2050.0	44884.2
Idaho	20.8	23.8	20.0	21.0	18.7	15.2
Illinois	84.2	89.2	80.1	63.4	36.4	62.4
Indiana	56.7	63.6	54.5	54.2	44.6	39.9
Iowa	77.8	82.5	75.4	62.9	33.8	60.1
Kansas	55.1	60.5	52.1	51.1	39.6	36.7
Kentucky	60.3	66.5	61.2	58.8	52.7	63.9
Louisiana	25.7	30.9	22.5	23.8	17.7	5.3
Maine	113.1	112.4	116.8	116.8	129.5	169.1
Maryland	56.5	66.2	58.2	55.4	49.2	64.8
Massachusetts	65.3	69.7	61.8	57.2	18.4	28.7
Michigan	85.2	90.0	89.2	88.9	99.0	114.2
Minnesota	116.8	123.1	121.9	99.1	46.8	252.3
Mississippi	66.4	71.1	64.3	65.3	59.4	37.9
Missouri	43.3	48.3	41.5	40.5	31.0	29.6
Montana	169.9	157.3	206.8	156.1	134.4	759.1
Nebraska	8.3	10.3	5.5	7.7	6.1	-4.7
Nevada	59.8	63.3	54.3	50.6	26.6	22.8
New Hampshire	100.7	100.5	101.0	91.9	55.3	102.7
New Jersey	87.0	90.3	83.2	69.1	27.8	56.4
New Mexico	80.5	82.8	68.2	46.4	10.0	35.1
New York	102.6	103.5	105.0	104.4	139.0	144.7
North Carolina	46.3	51.5	42.4	38.8	21.1	17.2
North Dakota	82.7	85.0	77.1	71.7	35.9	43.1
Ohio	98.7	109.3	93.8	78.9	49.5	72.0
Oklahoma	79.4	83.2	77.6	77.4	69.9	65.4
Oregon	39.6	46.0	31.9	26.9	6.6	1.0
Pennsylvania	79.8	85.3	76.8	69.2	15.9	-33.7
Rhode Island	100.7	100.9	100.5	100.2	92.1	98.1
South Carolina	31.2	37.3	27.0	27.2	14.2	2.5
South Dakota	76.4	87.4	54.7	23.8	9.9	27.6
Tennessee	39.4	45.0	35.3	27.7	11.9	17.6
Texas	45.6	49.8	40.8	36.7	4.5	1.9
Utah	95.4	96.1	92.1	78.0	48.0	72.2
Vermont	68.9	76.7	66.2	74.6	38.5	37.7
Virginia	51.8	56.1	50.2	46.1	29.4	36.0
Washington	106.6	110.3	107.2	78.6	0.3	99.0
West Virginia	80.4	82.9	79.8	80.2	76.5	69.6
Wisconsin	55.7	60.4	58.5	55.9	53.5	104.6
Wyoming	44.6	51.2	37.8	35.7	18.4	14.1

other words, MATH STEWARD simulated about one-half to two-thirds of recent reductions in national FSP caseloads and costs, and about three-fifths of recent reductions in national AFDC/TANF caseloads.

Across the individual states, there was considerable variation in the contribution of economic change to simulated changes in FSP outcomes from 1992 through 1998 (Table IV.1). For most states, the ratio between the change due to the economy and the total change fell between zero and 100 percent. For some states, however, this ratio exceeded 100 percent because changes in unemployment rates were simulated to lead to a larger reduction in FSP caseloads and costs than was simulated as actually occurring. For a few states, the corresponding ratio was negative because economic change alone was simulated as having an opposite effect on FSP caseloads as the combination of economic change and welfare reform. Because of the difficulty in interpreting these ratios for individual states, we focus on describing, for different groups of states, the average portion of the trend explained by economic change.

2. FSP Caseload Characteristics

While economic change was responsible for 66.7 percent of the simulated reduction in the number of FSP households from 1992 through 1998, it was responsible for only 61.2 percent of the simulated reduction in the number of AFDC/TANF households over the same period (Table IV.2). This finding implies that, as we would expect, welfare reform played a greater role in reducing the total number of AFDC/TANF households than in reducing the total number of FSP households. Of the simulated reduction in the proportion of FSP households with AFDC/TANF benefits, only one-half (54.4 percent) was due to economic change and the rest to welfare reform.

TABLE IV.2
Food Stamp Program Characteristics: Simulated Role of the Economy

	<i>Number of FS Households with TANF</i>	<i>Number of FS Households with Earnings</i>	<i>Number of FS Households with TANF and Earnings</i>	<i>% of FS Households with TANF</i>	<i>% of FS Households with Earnings</i>	<i>% of FS Households with TANF and Earnings</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
National	61.2	104.6	91.4	54.4	15.3	150.8
Alabama	141.4	-80.2	-140.7	191.4	22.9	-53.2
Alaska	201.7	362.8	175.0	173.9	68.5	148.9
Arizona	39.6	57.3	44.5	25.1	-38.6	33.8
Arkansas	32.5	85.3	69.3	29.1	2.2	142.2
California	100.9	131.9	143.1	118.7	5.2	888.6
Colorado	57.8	76.5	60.3	45.4	51.5	50.7
Connecticut	40.2	91.4	66.6	27.6	-0.9	88.0
Delaware	80.0	-88.8	-157.3	71.8	33.8	-13.7
District of Columbia	-6.6	96.6	54.5	4.3	104.1	58.6
Florida	43.2	75.5	57.7	33.3	-0.3	59.1
Georgia	70.4	74.0	63.1	69.2	63.1	53.2
Hawaii	137.8	34.2	41.8	131.0	-94.1	4.1
Idaho	15.9	10.1	16.4	13.7	16.7	14.7
Illinois	84.2	-302.9	-505.8	86.0	8.7	-52.6
Indiana	56.4	78.5	84.8	51.8	38.0	160.8
Iowa	69.8	185.9	126.1	65.7	6.2	267.3
Kansas	44.5	44.5	31.6	39.2	94.5	20.8
Kentucky	53.5	75.1	58.2	45.3	46.0	52.0
Louisiana	25.1	80.1	60.4	22.9	5.8	192.2
Maine	120.7	99.8	99.7	132.2	129.3	-100.1
Maryland	55.6	62.9	59.1	50.9	4.9	57.7
Massachusetts	61.9	68.8	66.3	51.5	34.9	60.3
Michigan	83.8	85.7	77.1	76.9	92.8	63.4
Minnesota	138.2	-385.6	-343.8	158.5	14.5	-79.7
Mississippi	59.2	64.1	50.6	51.8	61.7	33.0
Missouri	37.2	43.4	39.2	30.1	33.2	31.2
Montana	167.7	-65.4	-131.4	164.1	8.7	-64.7
Nebraska	11.7	8.9	18.6	11.9	8.0	33.3
Nevada	50.8	82.0	76.6	41.2	-38.6	96.7
New Hampshire	101.9	136.9	139.0	103.3	26.9	242.8
New Jersey	80.1	485.5	235.8	72.2	4.4	-354.4
New Mexico	42.1	-18.6	-15.6	27.1	4.9	-2.5
New York	106.2	91.6	94.6	111.8	468.4	83.6
North Carolina	43.8	54.1	59.2	38.5	35.8	-629.7
North Dakota	72.2	149.6	103.5	65.6	6.0	122.5
Ohio	112.9	-2589.5	7945.5	137.2	11.4	-90.0
Oklahoma	70.7	119.3	98.0	62.5	-82.7	108.1
Oregon	31.3	61.1	43.2	22.0	14.8	110.8
Pennsylvania	64.3	106.7	74.1	52.3	40.3	69.5
Rhode Island	100.9	100.0	100.0	101.2	78.0	99.3
South Carolina	27.2	34.3	32.7	20.5	14.8	28.9
South Dakota	57.1	-9.4	-21.1	53.9	5.2	-10.2
Tennessee	39.0	-48.1	-70.4	36.2	9.3	-14.9
Texas	38.8	59.0	56.6	31.7	-9.6	64.7
Utah	75.8	1006.0	271.9	64.1	6.7	-480.6
Vermont	63.7	65.3	60.2	54.7	21.8	51.6
Virginia	46.5	72.0	57.7	38.7	26.1	64.0
Washington	114.5	451.4	547.7	124.0	9.1	-108.1
West Virginia	73.7	78.6	72.0	67.3	73.1	65.9
Wisconsin	49.2	39.2	35.4	41.6	-84.0	23.6
Wyoming	33.2	69.4	39.4	25.7	22.5	34.5

D. THE ECONOMY'S CONTRIBUTION TO FSP CHANGES, BY TYPE OF STATE WELFARE REFORM

1. FSP Caseloads and Costs

To help interpret the relationship between various types of welfare reform policies and the contribution of economic change to state-level trends in FSP participation and costs, we identified the eight groups of states described in Chapter III. Of the eight possible combinations of state welfare reform policies, the combinations under which economic change made the greatest contribution to recent declines in FSP caseloads and costs included longer time limits, generous earned income disregards, and less aggressive work requirements (Table IV.3). For the 14 states with these provisions, economic change was responsible for 94.9 percent of the simulated reduction in FSP participation, and 89.8 percent of the simulated reduction in FSP costs.

2. FSP Caseload Characteristics

Welfare reform is more likely to lead to reductions in both FSP and TANF participation when time limits are short and work requirements are more aggressive. It is significant that, of the eight groups of states, the four featuring shorter time limits were the ones for which economic change was responsible for the smallest portions of the simulated reductions in the number of TANF households (Table IV.4).

E. THE ECONOMY'S CONTRIBUTION TO FSP CHANGES, BY MAGNITUDE OF ECONOMIC CHANGE

1. FSP Caseloads and Costs

In addition to differences in state welfare reform programs, differences in the magnitude of economic change between 1992 and 1998 are responsible for the portion of recent FSP trends explained by the economy. States with larger decreases in unemployment over this period were

TABLE IV.3
Food Stamp Participation and Costs: Simulated Role of the Economy
By Type of Welfare Reform

	<i>Units Receiving Food Stamps</i>	<i>Participation Rate of Eligible Units</i>	<i>Individuals Receiving Food Stamps</i>	<i>Total Food Stamp Benefits Paid</i>	<i>Average Food Stamp Benefits per Unit</i>	<i>Average Size of Food Stamp Unit</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
National	66.7	72.6	63.0	57.5	29.7	35.0
Shorter Time Limits, Generous Earned Income Disregards, Aggressive Work Requirements						
Arkansas	32.5	37.5	30.9	29.9	22.4	21.0
Florida	51.3	55.2	47.9	44.8	26.7	27.4
Idaho	20.8	23.8	20.0	21.0	18.7	15.2
Oregon	39.6	46.0	31.9	26.9	6.6	1.0
Average	36.0	40.6	32.7	30.7	18.6	16.2
Longer Time Limits, Generous Earned Income Disregards, Aggressive Work Requirements						
Iowa	77.8	82.5	75.4	62.9	33.8	60.1
New Jersey	87.0	90.3	83.2	69.1	27.8	56.4
Oklahoma	79.4	83.2	77.6	77.4	69.9	65.4
Utah	95.4	96.1	92.1	78.0	48.0	72.2
Average	84.9	88.0	82.1	71.8	44.9	63.5
Shorter Time Limits, Less Generous Earned Income Disregards, Aggressive Work Requirements						
Indiana	56.7	63.6	54.5	54.2	44.6	39.9
Tennessee	39.4	45.0	35.3	27.7	11.9	17.6
Average	48.1	54.3	44.9	41.0	28.3	28.8
Longer Time Limits, Less Generous Earned Income Disregards, Aggressive Work Requirements						
Colorado	74.5	77.7	67.7	67.8	43.7	7.1
Delaware	89.8	94.7	87.6	82.3	65.8	79.0
Michigan	85.2	90.0	89.2	88.9	99.0	114.2
Montana	169.9	157.3	206.8	156.1	134.4	759.1
North Dakota	82.7	85.0	77.1	71.7	35.9	43.1
South Dakota	76.4	87.4	54.7	23.8	9.9	27.6
Wisconsin	55.7	60.4	58.5	55.9	53.5	104.6
Wyoming	44.6	51.2	37.8	35.7	18.4	14.1
Average	84.9	88.0	84.9	72.8	57.6	143.6
Shorter Time Limits, Generous Earned Income Disregards, Less Aggressive Work Requirements						
Connecticut	51.8	56.1	45.6	35.1	-8.8	6.5
Illinois	84.2	89.2	80.1	63.4	36.4	62.4
Massachusetts	65.3	69.7	61.8	57.2	18.4	28.7
Nevada	59.8	63.3	54.3	50.6	26.6	22.8
Virginia	51.8	56.1	50.2	46.1	29.4	36.0
Average	62.6	66.9	58.4	50.5	20.4	31.3

TABLE IV.3
Food Stamp Participation and Costs: Simulated Role of the Economy
By Type of Welfare Reform

	<i>Units Receiving Food Stamps</i>	<i>Participation Rate of Eligible Units</i>	<i>Individuals Receiving Food Stamps</i>	<i>Total Food Stamp Benefits Paid</i>	<i>Average Food Stamp Benefits per Unit</i>	<i>Average Size of Food Stamp Unit</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
Longer Time Limits, Generous Earned Income Disregards, Less Aggressive Work Requirements						
Alabama	107.7	115.3	96.1	82.1	49.0	36.9
California	94.1	106.0	88.8	86.9	562.0	428.7
Hawaii	138.0	128.7	162.0	222.5	-2050.0	44884.2
Kansas	55.1	60.5	52.1	51.1	39.6	36.7
Minnesota	116.8	123.1	121.9	99.1	46.8	252.3
Mississippi	66.4	71.1	64.3	65.3	59.4	37.9
New Hampshire	100.7	100.5	101.0	91.9	55.3	102.7
New Mexico	80.5	82.8	68.2	46.4	10.0	35.1
New York	102.6	103.5	105.0	104.4	139.0	144.7
Ohio	98.7	109.3	93.8	78.9	49.5	72.0
Pennsylvania	79.8	85.3	76.8	69.2	15.9	-33.7
Rhode Island	100.7	100.9	100.5	100.2	92.1	98.1
Washington	106.6	110.3	107.2	78.6	0.3	99.0
West Virginia	80.4	82.9	79.8	80.2	76.5	69.6
Average	94.9	98.6	94.1	89.8	-61.0	3304.6
Shorter Time Limits, Less Generous Earned Income Disregards, Less Aggressive Work Requirements						
Arizona	54.1	56.8	46.5	45.4	15.2	-7.8
Louisiana	25.7	30.9	22.5	23.8	17.7	5.3
Nebraska	8.3	10.3	5.5	7.7	6.1	-4.7
North Carolina	46.3	51.5	42.4	38.8	21.1	17.2
South Carolina	31.2	37.3	27.0	27.2	14.2	2.5
Texas	45.6	49.8	40.8	36.7	4.5	1.9
Average	35.2	39.4	30.8	29.9	13.1	2.4
Longer Time Limits, Less Generous Earned Income Disregards, Less Aggressive Work Requirements						
Alaska	231.6	193.1	237.1	179.1	-47.7	907.8
District of Columbia	-24.7	45.0	-244.9	95.9	65.5	260.6
Georgia	70.0	75.2	74.4	70.4	69.8	100.1
Kentucky	60.3	66.5	61.2	58.8	52.7	63.9
Maine	113.1	112.4	116.8	116.8	129.5	169.1
Maryland	56.5	66.2	58.2	55.4	49.2	64.8
Missouri	43.3	48.3	41.5	40.5	31.0	29.6
Vermont	68.9	76.7	66.2	74.6	38.5	37.7
Average	77.4	85.4	51.3	86.5	48.6	204.2

TABLE IV.4
Food Stamp Program Characteristics: Simulated Role of the Economy
By Type of Welfare Reform

	<i>Number of FS Households with TANF</i>	<i>Number of FS Households with Earnings</i>	<i>Number of FS Households with TANF and Earnings</i>	<i>% of FS Households with TANF</i>	<i>% of FS Households with Earnings</i>	<i>% of FS Households with TANF and Earnings</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
National	61.2	104.6	91.4	54.4	15.3	150.8
Shorter time limits, Generous Earned Income Disregards, Aggressive Work Requirements						
Arkansas	32.5	85.3	69.3	29.1	2.2	142.2
Florida	43.2	75.5	57.7	33.3	-0.3	59.1
Idaho	15.9	10.1	16.4	13.7	16.7	14.7
Oregon	31.3	61.1	43.2	22.0	14.8	110.8
Average	30.7	58.0	46.6	24.5	8.3	81.7
Longer Time Limits, Generous Earned Income Disregards, Aggressive Work Requirements						
Iowa	69.8	185.9	126.1	65.7	6.2	267.3
New Jersey	80.1	485.5	235.8	72.2	4.4	-354.4
Oklahoma	70.7	119.3	98.0	62.5	-82.7	108.1
Utah	75.8	1006.0	271.9	64.1	6.7	-480.6
Average	74.1	449.2	183.0	66.1	-16.4	-114.9
Shorter Time Limits, Less Generous Earned Income Disregards, Aggressive Work Requirements						
Tennessee	39.0	-48.1	-70.4	36.2	9.3	-14.9
Indiana	56.4	78.5	84.8	51.8	38.0	160.8
Average	47.7	15.2	7.2	44.0	23.6	73.0
Longer Time Limits, Less Generous Earned Income Disregards, Aggressive Work Requirements						
Colorado	57.8	76.5	60.3	45.4	51.5	50.7
Delaware	80.0	-88.8	-157.3	71.8	33.8	-13.7
Michigan	83.8	85.7	77.1	76.9	92.8	63.4
Montana	167.7	-65.4	-131.4	164.1	8.7	-64.7
North Dakota	72.2	149.6	103.5	65.6	6.0	122.5
South Dakota	57.1	-9.4	-21.1	53.9	5.2	-10.2
Wisconsin	49.2	39.2	35.4	41.6	-84.0	23.6
Wyoming	33.2	69.4	39.4	25.7	22.5	34.5
Average	75.1	32.1	0.7	68.1	17.1	25.8
Shorter Time Limits, Generous Earned Income Disregards, Less Aggressive Work Requirements						
Connecticut	40.2	91.4	66.6	27.6	-0.9	88.0
Illinois	84.2	-302.9	-505.8	86.0	8.7	-52.6
Massachusetts	61.9	68.8	66.3	51.5	34.9	60.3
Nevada	50.8	82.0	76.6	41.2	-38.6	96.7
Virginia	46.5	72.0	57.7	38.7	26.1	64.0
Average	56.7	2.2	-47.7	49.0	6.0	51.3

TABLE IV.4
Food Stamp Program Characteristics: Simulated Role of the Economy
By Type of Welfare Reform

	<i>Number of FS Households with TANF</i>	<i>Number of FS Households with Earnings</i>	<i>Number of FS Households with TANF and Earnings</i>	<i>% of FS Households with TANF</i>	<i>% of FS Households with Earnings</i>	<i>% of FS Households with TANF and Earnings</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
Longer Time Limits, Generous Earned Income Disregards, Less Aggressive Work Requirements						
Alabama	141.4	-80.2	-140.7	191.4	22.9	-53.2
California	100.9	131.9	143.1	118.7	5.2	888.6
Hawaii	137.8	34.2	41.8	131.0	-94.1	4.1
Kansas	44.5	44.5	31.6	39.2	94.5	20.8
Minnesota	138.2	-385.6	-343.8	158.5	14.5	-79.7
Mississippi	59.2	64.1	50.6	51.8	61.7	33.0
New Hampshire	101.9	136.9	139.0	103.3	26.9	242.8
New Mexico	42.1	-18.6	-15.6	27.1	4.9	-2.5
New York	106.2	91.6	94.6	111.8	468.4	83.6
Ohio	112.9	-2589.5	7945.5	137.2	11.4	-90.0
Pennsylvania	64.3	106.7	74.1	52.3	40.3	69.5
Rhode Island	100.9	100.0	100.0	101.2	78.0	99.3
Washington	114.5	451.4	547.7	124.0	9.1	-108.1
West Virginia	73.7	78.6	72.0	67.3	73.1	65.9
Average	95.6	-131.0	624.3	101.1	58.3	83.9
Shorter Time Limits, Less Generous Earned Income Disregards, Less Aggressive Work Requirements						
Arizona	39.6	57.3	44.5	25.1	-38.6	33.8
Louisiana	25.1	80.1	60.4	22.9	5.8	192.2
Nebraska	11.7	8.9	18.6	11.9	8.0	33.3
North Carolina	43.8	54.1	59.2	38.5	35.8	-629.7
South Carolina	27.2	34.3	32.7	20.5	14.8	28.9
Texas	38.8	59.0	56.6	31.7	-9.6	64.7
Average	31.1	48.9	45.3	25.1	2.7	-46.1
Longer Time Limits, Less Generous Earned Income Disregards, Less Aggressive Work Requirements						
Alaska	201.7	362.8	175.0	173.9	68.5	148.9
District of Columbia	-6.6	96.6	54.5	4.3	104.1	58.6
Georgia	70.4	74.0	63.1	69.2	63.1	53.2
Kentucky	53.5	75.1	58.2	45.3	46.0	52.0
Maine	120.7	99.8	99.7	132.2	129.3	-100.1
Maryland	55.6	62.9	59.1	50.9	4.9	57.7
Missouri	37.2	43.4	39.2	30.1	33.2	31.2
Vermont	63.7	65.3	60.2	54.7	21.8	51.6
Average	74.5	110.0	76.1	70.1	58.8	44.1

likely to experience larger simulated reductions in FSP caseloads and costs and therefore have a larger portion of these reductions explained by economic changes. For the five states experiencing a drop in unemployment of at least four percentage points between 1992 and 1998, economic change was responsible for 86.5 percent of the simulated reduction in FSP caseloads and 83.7 percent of the simulated reduction in FSP costs (Table IV.5). In contrast, for the 16 states experiencing a more modest reduction in unemployment of between two and three percentage points, economic change was responsible for only 59.8 percent of the simulated reduction in FSP caseloads and 53.1 percent of the simulated reduction in FSP costs. Not surprisingly, the greater the decrease in the unemployment rate, the greater the reduction in FSP caseloads and costs and the larger the portion of recent trends attributable to changes in the state economy.

2. FSP Caseload Characteristics

The contribution of the economy to reductions in the number of TANF households followed a similar pattern as the contribution of the economy to reduction in the number of FSP households. For the five states experiencing a drop in unemployment of at least four percentage points between 1992 and 1998, economic change was responsible for 84.4 percent of the simulated reduction in the number of TANF households (Table IV.6). In contrast, for the 16 states experiencing a more modest reduction in unemployment of between two and three percentage points, economic change was responsible for only 56.6 percent of the simulated reduction in the number of TANF households.

TABLE IV.5
 Food Stamp Participation and Costs: Simulated Role of the Economy
 By Magnitude of Change in Unemployment Between 1992 and 1998

<i>State</i>	<i>Units Receiving Food Stamps</i>	<i>Participation Rate of Eligible Units</i>	<i>Individuals Receiving Food Stamps</i>	<i>Total Food Stamp Benefits Paid</i>	<i>Average Food Stamp Benefits per Unit</i>	<i>Average Size of Food Stamp Unit</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
National	66.7	72.6	63.0	57.5	29.7	35.0
4 or more %-point decrease						
Massachusetts	65.3	69.7	61.8	57.2	18.4	28.7
Michigan	85.2	90.0	89.2	88.9	99.0	114.2
West Virginia	80.4	82.9	79.8	80.2	76.5	69.6
New Hampshire	100.7	100.5	101.0	91.9	55.3	102.7
Rhode Island	100.7	100.9	100.5	100.2	92.1	98.1
Average	86.5	88.8	86.4	83.7	68.3	82.6
3 to 3.9 %-point decrease						
Connecticut	51.8	56.1	45.6	35.1	-8.8	6.5
Florida	51.3	55.2	47.9	44.8	26.7	27.4
Indiana	56.7	63.6	54.5	54.2	44.6	39.9
New Jersey	87.0	90.3	83.2	69.1	27.8	56.4
Arizona	54.1	56.8	46.5	45.4	15.2	-7.8
Alabama	107.7	115.3	96.1	82.1	49.0	36.9
California	94.1	106.0	88.8	86.9	562.0	428.7
Vermont	68.9	76.7	66.2	74.6	38.5	37.7
Virginia	51.8	56.1	50.2	46.1	29.4	36.0
Alaska	231.6	193.1	237.1	179.1	-47.7	907.8
Illinois	84.2	89.2	80.1	63.4	36.4	62.4
Pennsylvania	79.8	85.3	76.8	69.2	15.9	-33.7
Mississippi	66.4	71.1	64.3	65.3	59.4	37.9
Ohio	98.7	109.3	93.8	78.9	49.5	72.0
New York	102.6	103.5	105.0	104.4	139.0	144.7
Washington	106.6	110.3	107.2	78.6	0.3	99.0
Georgia	70.0	75.2	74.4	70.4	69.8	100.1
Average	86.1	89.0	83.4	73.4	65.1	120.7

TABLE IV.5
Food Stamp Participation and Costs: Simulated Role of the Economy
By Magnitude of Change in Unemployment Between 1992 and 1998

<i>State</i>	<i>Units Receiving Food Stamps</i>	<i>Participation Rate of Eligible Units</i>	<i>Individuals Receiving Food Stamps</i>	<i>Total Food Stamp Benefits Paid</i>	<i>Average Food Stamp Benefits per Unit</i>	<i>Average Size of Food Stamp Unit</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
2 to 2.9 %-point decrease						
South Carolina	31.2	37.3	27.0	27.2	14.2	2.5
Texas	45.6	49.8	40.8	36.7	4.5	1.9
Louisiana	25.7	30.9	22.5	23.8	17.7	5.3
Maine	113.1	112.4	116.8	116.8	129.5	169.1
North Dakota	82.7	85.0	77.1	71.7	35.9	43.1
Colorado	74.5	77.7	67.7	67.8	43.7	7.1
Minnesota	116.8	123.1	121.9	99.1	46.8	252.3
Kentucky	60.3	66.5	61.2	58.8	52.7	63.9
North Carolina	46.3	51.5	42.4	38.8	21.1	17.2
Nevada	59.8	63.3	54.3	50.6	26.6	22.8
Oregon	39.6	46.0	31.9	26.9	6.6	1.0
Maryland	56.5	66.2	58.2	55.4	49.2	64.8
Arkansas	32.5	37.5	30.9	29.9	22.4	21.0
Tennessee	39.4	45.0	35.3	27.7	11.9	17.6
Iowa	77.8	82.5	75.4	62.9	33.8	60.1
Wisconsin	55.7	60.4	58.5	55.9	53.5	104.6
Average	59.8	64.7	57.6	53.1	35.6	53.4
1 to 1.9 %-point decrease						
Utah	95.4	96.1	92.1	78.0	48.0	72.2
Missouri	43.3	48.3	41.5	40.5	31.0	29.6
Oklahoma	79.4	83.2	77.6	77.4	69.9	65.4
Delaware	89.8	94.7	87.6	82.3	65.8	79.0
Idaho	20.8	23.8	20.0	21.0	18.7	15.2
Montana	169.9	157.3	206.8	156.1	134.4	759.1
Wyoming	44.6	51.2	37.8	35.7	18.4	14.1
Average	77.6	79.2	80.5	70.1	55.2	147.8
Less than a 1 %-point decrease						
Nebraska	8.3	10.3	5.5	7.7	6.1	-4.7
Kansas	55.1	60.5	52.1	51.1	39.6	36.7
New Mexico	80.5	82.8	68.2	46.4	10.0	35.1
South Dakota	76.4	87.4	54.7	23.8	9.9	27.6
District of Columbia	-24.7	45.0	-244.9	95.9	65.5	260.6
Hawaii	138.0	128.7	162.0	222.5	-2050.0	44884.2
Average	55.6	69.1	16.3	74.6	-319.8	7539.9

TABLE IV.6
 Food Stamp Program Characteristics: Simulated Role of the Economy
 By Magnitude of Change in Unemployment Between 1992 and 1998

	<i>Number of FS Households with TANF</i>	<i>Number of FS Households with Earnings</i>	<i>Number of FS Households with TANF and Earnings</i>	<i>% of FS Households with TANF</i>	<i>% of FS Households with Earnings</i>	<i>% of FS Households with TANF and Earnings</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
National	61.2	104.6	91.4	54.4	15.3	150.8
4 or more %-point decrease						
Massachusetts	61.9	68.8	66.3	51.5	34.9	60.3
Michigan	83.8	85.7	77.1	76.9	92.8	63.4
West Virginia	73.7	78.6	72.0	67.3	73.1	65.9
New Hampshire	101.9	136.9	139.0	103.3	26.9	242.8
Rhode Island	100.9	100.0	100.0	101.2	78.0	99.3
Average	84.4	94.0	90.9	80.0	61.1	106.4
3 to 3.9 %-point decrease						
Connecticut	40.2	91.4	66.6	27.6	-0.9	88.0
Florida	43.2	75.5	57.7	33.3	-0.3	59.1
Indiana	56.4	78.5	84.8	51.8	38.0	160.8
New Jersey	80.1	485.5	235.8	72.2	4.4	-354.4
Arizona	39.6	57.3	44.5	25.1	-38.6	33.8
Alabama	141.4	-80.2	-140.7	191.4	22.9	-53.2
California	100.9	131.9	143.1	118.7	5.2	888.6
Vermont	63.7	65.3	60.2	54.7	21.8	51.6
Virginia	46.5	72.0	57.7	38.7	26.1	64.0
Alaska	201.7	362.8	175.0	173.9	68.5	148.9
Illinois	84.2	-302.9	-505.8	86.0	8.7	-52.6
Pennsylvania	64.3	106.7	74.1	52.3	40.3	69.5
Mississippi	59.2	64.1	50.6	51.8	61.7	33.0
Ohio	112.9	-2589.5	7945.5	137.2	11.4	-90.0
New York	106.2	91.6	94.6	111.8	468.4	83.6
Washington	114.5	451.4	547.7	124.0	9.1	-108.1
Georgia	70.4	74.0	63.1	69.2	63.1	53.2
Average	83.9	-45.0	532.6	83.5	47.6	63.3

TABLE IV.6
 Food Stamp Program Characteristics: Simulated Role of the Economy
 By Magnitude of Change in Unemployment Between 1992 and 1998

	<i>Number of FS Households with TANF</i>	<i>Number of FS Households with Earnings</i>	<i>Number of FS Households with TANF and Earnings</i>	<i>% of FS Households with TANF</i>	<i>% of FS Households with Earnings</i>	<i>% of FS Households with TANF and Earnings</i>
<i>Percentage of Change Due to the Economy Rather than Welfare Reform</i>						
2 to 2.9 %-point decrease						
South Carolina	27.2	34.3	32.7	20.5	14.8	28.9
Texas	38.8	59.0	56.6	31.7	-9.6	64.7
Louisiana	25.1	80.1	60.4	22.9	5.8	192.2
Maine	120.7	99.8	99.7	132.2	129.3	-100.1
North Dakota	72.2	149.6	103.5	65.6	6.0	122.5
Colorado	57.8	76.5	60.3	45.4	51.5	50.7
Minnesota	138.2	-385.6	-343.8	158.5	14.5	-79.7
Kentucky	53.5	75.1	58.2	45.3	46.0	52.0
North Carolina	43.8	54.1	59.2	38.5	35.8	-629.7
Nevada	50.8	82.0	76.6	41.2	-38.6	96.7
Oregon	31.3	61.1	43.2	22.0	14.8	110.8
Maryland	55.6	62.9	59.1	50.9	4.9	57.7
Arkansas	32.5	85.3	69.3	29.1	2.2	142.2
Tennessee	39.0	-48.1	-70.4	36.2	9.3	-14.9
Iowa	69.8	185.9	126.1	65.7	6.2	267.3
Wisconsin	49.2	39.2	35.4	41.6	-84.0	23.6
Average	56.6	44.5	32.9	53.0	13.0	24.1
1 to 1.9 %-point decrease						
Utah	75.8	1006.0	271.9	64.1	6.7	-480.6
Missouri	37.2	43.4	39.2	30.1	33.2	31.2
Oklahoma	70.7	119.3	98.0	62.5	-82.7	108.1
Delaware	80.0	-88.8	-157.3	71.8	33.8	-13.7
Idaho	15.9	10.1	16.4	13.7	16.7	14.7
Montana	167.7	-65.4	-131.4	164.1	8.7	-64.7
Wyoming	33.2	69.4	39.4	25.7	22.5	34.5
Average	68.7	156.3	25.2	61.7	5.5	-52.9
Less than a 1 %-point decrease						
Nebraska	11.7	8.9	18.6	11.9	8.0	33.3
Kansas	44.5	44.5	31.6	39.2	94.5	20.8
New Mexico	42.1	-18.6	-15.6	27.1	4.9	-2.5
South Dakota	57.1	-9.4	-21.1	53.9	5.2	-10.2
District of Columbia	-6.6	96.6	54.5	4.3	104.1	58.6
Hawaii	137.8	34.2	41.8	131.0	-94.1	4.1
Average	47.8	26.0	18.3	44.6	20.4	17.4