

Discussion Papers

The Welfare Rules
Databook: State Policies
as of July 2001

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Assessing
the New
Federalism

*An Urban Institute
Program to Assess
Changing Social
Policies*



Assessing the New Federalism is a multiyear Urban Institute project designed to analyze the devolution of responsibility for social programs from the federal government to the states, focusing primarily on health care, income security, employment and training programs, and social services. Researchers monitor program changes and fiscal developments. Olivia Golden is the project director. In collaboration with Child Trends, the project studies changes in family well-being. The project aims to provide timely, nonpartisan information to inform public debate and to help state and local decisionmakers carry out their new responsibilities more effectively.

Key components of the project include a household survey and studies of policies in 13 states, available at the Urban Institute's web site, <http://www.urban.org>. This paper is one in a series of discussion papers analyzing information from these and other sources.

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Introduction and Background

This publication, *The Welfare Rules Databook*, provides tables containing key Temporary Assistance for Needy Families (TANF) policies for each state as of July 2001, as well as longitudinal tables describing selected state policies from 1996 through 2001. The tables are based on the information in the Welfare Rules Database (WRD), a publicly available, online database originally developed under the Urban Institute's *Assessing the New Federalism* project.

The *Databook* is divided into five groups of tables: Initial Eligibility; Benefits; Requirements; Ongoing Eligibility; and Policies across Time, 1996–2001. Each chapter begins with an overview of the policies, followed by details relating to specific tables.

The *Databook* provides a summary of the detailed information in the WRD. Users interested in a greater level of detail are encouraged to use the full database, available at <http://anfdata.urban.org/wrd>. This site includes a point-and-click interface, as well as documentation.

The following sections discuss the background and structure of the WRD, and the contents and structure of the tables in this book.

The Welfare Rules Database

The Welfare Rules Database is a comprehensive, sophisticated resource for comparing cash assistance programs across all 50 states and the District of Columbia, researching changes across time in cash assistance rules within a single state, or determining the rules governing cash assistance in one state at a point in time. The WRD is longitudinal, and currently provides information on state Aid to Families with Dependent Children (AFDC) and TANF policies from 1996 through 2001. The WRD was initially developed to meet the needs of researchers under the

The WRD was developed to provide a source of detailed information about states' TANF policies, going beyond the level of detail in most states' official State Plans and capturing changes in policies that occur between the submission of those Plans. The WRD focuses on cash assistance policies and some closely tied transitional benefits. Its main focus is on federally funded policies; however, some information on policies provided under state-separate funding is included when the state considers those benefits part of the same basic program and therefore includes them in the caseworker manual. Thus, benefits paid to two-parent units and certain immigrant units are included, even when they do not use federal funds. The WRD does not attempt to capture other uses of federal TANF funds (such as state earned income tax credits, child care programs, etc).

Contents of the WRD

The WRD provides detailed information on a range of policy topics. These topics are currently organized into 29 categories that together describe most of the significant dimensions of state policies. While the categories may be ordered in a variety of ways, it is useful to consider the rules in the sequence in which individuals seeking and receiving assistance will likely encounter them. The 29 categories are listed below, organized into five sections, beginning with initial eligibility.

A similar verification process was performed in the previous two years for the 1999 and 2000 data. In those rounds of verification, 44 states reviewed the complete 1999 data and/or the 1999 tables, and 46 states reviewed the complete 2000 data and/or the 2000 tables. Portions of the 1996–98 information in the WRD have been verified against selected secondary sources, but have not been fully reviewed by state TANF staff, due to their historic nature.

General Points about the WRD

The WRD

- contains information on the cash assistance rules *in effect* in each state across time. It does not include information on proposals or legislation that has not been implemented.
- focuses on welfare *rules*. The database does not contain information regarding caseloads, budgets, outcomes, or administrative practices.
- contains at least one “record” (a set of coded variables) for each state, year, and category of rules.
- contains additional records when the state changes a policy during the year or when the state’s policies vary by geographic regions of the state, demographic characteristics of the assistance units, or “component” groups across the state. (The term “component” is used when the state’s caseload is divided into mutually exclusive groups based on multiple characteristics.)
- indicates when states vary policies by county. For those policies determined at the county level, the WRD captures the policies for the largest county in the state.⁵
- for every year, state, and category of rules contains one record that is designated the “majority rule” record. This record represents the policy that affected the majority of the caseload for the majority of the year.

It is important to note that neither the WRD nor the *Databook* address the issue of how rules may be implemented in practice. As noted above, the WRD is based on caseworker manuals and/or regulations, which typically do not include information on the likelihood of various outcomes occurring. For instance, if a particular type of recipient may be assigned to one

⁵The states that allow counties to vary policies (that are included in this book) are California, Colorado, and Ohio. The largest counties in each state are Los Angeles County in California, Denver County in Colorado, and Cuyahoga County in Ohio.

Policies as of July 2001

Initial Eligibility

Related tables: See Table IV.A.1 for details on the hours test for recipients and Table L2 for information on the rules for two-parent units in the years 1996 through 2001.

Minor parent eligibility: Table I.B.3 describes special eligibility rules for families where the parent is a minor (usually defined as under age 18 and never married). The first column indicates whether a minor parent can ever head a TANF unit and receive the benefit check in her or his own name. The second column indicates whether the state requires the minor parent to live with a parent or in another state-approved setting (referred to in the table as a living arrangement restriction). In nearly all states, unless exempt due to good cause, a minor parent must live with her own parent(s) or in some other state-approved setting.⁸

Related tables: See Table I.D.2 for the rules related to the treatment of the income from the parents of a minor parent who is heading her own assistance unit.

Eligibility of stepparents: Table I.B.4 describes whether a stepparent is included in the TANF assistance unit. Depending on the state policy, stepparents may be required to be part of the unit, may be prohibited from being part of the unit, or may be included in the unit at the option of the family. This table focuses on rules for stepparents who have no child in common with their spouse and who have no biological children of their own in the assistance unit. State rules for stepparents not meeting those criteria may vary and are discussed in the WRD.

Related tables: See Table I.D.3 for the rules related to the treatment of the income from a stepparent who is not included in the assistance unit.

Eligibility of noncitizens: After the passage of PRWORA, noncitizens' access to federal TANF benefits was significantly restricted. The PRWORA legislation created the "qualified alien" distinction, which more narrowly defined the group of noncitizens potentially eligible for

⁸ In general, states may not provide federally funded assistance to minor parents who are not living in an adult-supervised setting. However, there are some exceptions to this requirement.

Treatment of grandparent income: When a minor parent is potentially eligible to head her own assistance unit, a portion of her parents' income may be "deemed available" to the minor's unit in determining eligibility and benefits. Typically, income is deemed from the minor's parents only if the minor is living in the home with her parents; however, in one state—New Jersey—the income is deemed even if the minor is not living with her parents.

Generally, states allow the grandparents an initial disregard(s), similar to the earned income disregards available to applicants. In addition, the grandparents may subtract from their income a second disregard equal to the amount of their basic needs and the needs of their dependents. The remaining income after these disregards is deemed available to the minor unit as unearned income and is counted for eligibility and benefit computation purposes.

Table I.D.2 describes the deeming process for grandparents' income. The first column indicates if the state deems income, the second column indicates the initial earned income disregard available to the grandparents, and the third column describes any other disregards available to the grandparents. Most often this refers to the need-based disregard. The table indicates the income standards used by states to determine the disregard. To determine the value of these standards for a family size of three, see Tables I.E.3 (Eligibility Standards) and II.A.3 (Benefit Standards).

Related tables: Table I.B.3 describes whether minor parents are potentially eligible to head their own TANF units.

Treatment of stepparent income: In those states where a stepparent is either always excluded from the assistance unit or may choose to be excluded from the assistance unit, a portion of the stepparent's income may be "deemed available" to the unit. As with grandparent deeming, states generally allow the stepparent an initial disregard(s), similar to the earned

Table I.A.1 Formal Diversion Payments, July 2001

State	Diversion Program	Maximum Diversion Payment ¹	Form of Payment	How Often Can Recipient Receive Maximum Payment	Period of TANF Ineligibility Without Penalty after Payment	Payment Counts Toward the Time Limit
Alabama	No	---	---	---	---	---
Alaska	Yes	2 Months	Vendor or Cash Payment	Once Every 12 Months	3 Months ²	No
Arizona	Yes	3 Months	Cash Payment	Once Every 12 Months	3 Months ³	No
Arkansas	Yes	3 Months	Cash Loan ⁴	Once in a Lifetime	100 Days	No ⁴
California ⁵	Yes	Varies ⁶	Cash Payment or Services ⁷	As Often As Needed, Up to \$4,000 (Annual) and \$10,000 (Lifetime)	No Limit ⁸	Varies ⁸
Colorado ⁹	Yes	\$1,000 ¹⁰	Vendor or Cash Payment	Twice in a Lifetime	Determined by Caseworker and Client	No ¹¹
Connecticut	Yes	3 Months	Cash Payment	Three Times in a Lifetime, but No More Than Once Every 12 Months	3 Months	Yes
Delaware	Yes ¹²	\$1,500	Vendor Payment	Once Every 12 Months	Varies ¹³	No
D.C.	Yes	3 Months	Vendor or Cash Payment	Once Every 12 Months	Diversion Payment Divided by the Maximum Monthly Benefit the Unit Could Receive	No
Florida	Yes ¹⁴	Varies ¹⁴	Cash Payment	Varies ¹⁴	Varies ¹⁴	Varies ¹⁴
Georgia	No	---	---	---	---	---
Hawaii	No	---	---	---	---	---
Idaho	Yes	3 Months	Cash Payment	Once in a Lifetime	Twice the Number of Months Included in the Payment	Yes
Illinois	No	---	---	---	---	---
Indiana	No	---	---	---	---	---
Iowa	No ¹⁵	---	---	---	---	---
Kansas	No	---	---	---	---	---
Kentucky	Yes	\$1,500	Vendor or Cash Payment	Once Every 12 Months	12 Months	No
Louisiana	No	---	---	---	---	---
Maine	Yes ¹⁶	3 Months	Vendor Payment	Once in a Lifetime	No Limit ¹⁷	No
Maryland	Yes	3 Months	Cash Payment	As Often As Needed	The Number of Months Included in the Payment	No
Massachusetts	No	---	---	---	---	---
Michigan	No	---	---	---	---	---
Minnesota	Yes ¹⁸	4 Months	Vendor or Cash Payment	Once Every 12 Months	The Diversion Payment Divided by the Transitional Standard Times 30	No
Mississippi	No	---	---	---	---	---
Missouri	No	---	---	---	---	---
Montana	No	---	---	---	---	---

eligible AU at the time the diversion payment was made. The month(s) resulting from the calculation less any partial month, is (are) counted toward the 60-month time limit.

⁹ Counties have the option to vary their diversion programs. These policies refer to Denver County.

¹⁰ If assistance greater than \$1,000 is requested it must be approved by a designated staffing team. If an individual is seeking employment and training services through the Mayor's Office of Workforce Development, there will be no limit to the amount of money issued.

¹¹ If the payment is intended to cover greater than 120 days worth of need, the additional time counts towards the time limit.

¹² The state's diversion program is related to retaining or obtaining employment and is only for parents living with natural or adopted children.

¹³ The period of ineligibility depends on the amount of the diversion payment. Units receiving \$1-500.99 are ineligible for one month, units receiving \$501-1,000.99 are ineligible for two months, and units receiving \$1,001-\$1,500 are ineligible for three months.

¹⁴ Florida has three separate diversion programs. An assistance unit may receive a one-time payment of up to \$1,000 in Up-Front Diversion or Relocation Assistance, up to the amount needed to relocate, or a one-time \$1,000 payment of Cash Severance Diversion. The unit is ineligible to receive assistance for three months after receiving Up-Front Diversion and for six months after receiving Relocation Assistance or Cash Severance Diversion. Up-Front Assistance is for individuals in need of assistance due to unexpected circumstances or emergency situations. Relocation Assistance is available for individuals who reside in an area with limited employment opportunities and experience one of the following: geographic isolation, formidable transportation barriers, isolation from extended family, or domestic violence that threatens the ability of a parent to maintain self-sufficiency. Cash Severance Diversion is available to TANF recipients if they meet the following criteria: are employed and receiving earnings; are able to verify their earnings; will remain employed for at least six months; have received cash assistance for at least six consecutive months since October 1996; and are eligible for at least one more month of TANF. Up-Front Diversion and Relocation Assistance do not count toward time limits. Cash Severance Diversion does not count toward time limits if the payment is made in a month in which the unit receives a TANF payment as well. If the payment is made in a month in which the unit does NOT receive a TANF payment, the Cash Severance Diversion payment counts as a month toward the time limit.

¹⁵ Iowa is conducting a demonstration project that provides diversion assistance to its clients.

¹⁶ Diversion payments are only provided to caretaker relatives or parents who are employed or looking for work.

¹⁷ Units that apply for benefits during the three-month ineligibility period must repay any diversion payment received for any period that was covered by both diversion and TANF.

¹⁸ To be eligible for the diversion program, the assistance unit must meet all the following criteria: (1) at least one family member has lived in Minnesota for at least 30 days; (2) the caregiver has lost a job, is unable to obtain a job, or has a temporary loss of income, and this loss of income is not due to refusing suitable employment without good cause; (3) the family is at risk of MFIP eligibility if DA is not provided; and (4) the family is not in a period of eligibility for Emergency Assistance.

¹⁹ Applicants for WFNJ/TANF must participate in New Jersey's diversion program, Early Employment Initiative, if they: (1) have a work history that equals or exceeds four months of full-time employment in the last 12 months; (2) have at least one child; (3) appear to meet TANF eligibility requirements; (4) are not in immediate need; and (5) do not meet criteria for a deferral from work requirements. Participants receive a one-time, lump sum payment and are required to pursue an intensive job search for 15 to 30 days while their WFNJ/TANF application is being processed. If participants obtain employment and withdraw their application, they are eligible to receive a second lump sum payment to assist in the transition to employment. If no employment is secured, the applicant is referred back to the WFNJ/TANF agency for cash assistance.

²⁰ The amount of the diversion payment is relative to the number of persons in the unit. \$1,550 is the maximum amount and is received by a unit of eight or more. The maximum diversion payment for a family of three is \$750.

²¹ If a participant is unable to find a job through the diversion program or loses employment and reapplies for TANF benefits within 60 days of the original application, TANF benefits will be retroactive to the date of application. Any lump sum payment received under the EEI is prorated from the date of the original application to the date of the reactivation and subtracted from the monthly grant amount for which the assistance unit is eligible. If this lump sum exceeds the family's monthly grant amount, the excess is counted as unearned income when calculating the monthly assistance benefits for any subsequent month. If the applicant loses his or her employment after 60 days from the application date, the family will need to reapply for TANF.

²² The diversion payment is only available to assist applicants in keeping a job or accepting a bona fide offer of employment.

²³ Units may apply for assistance during the 12-month period, but the benefits will be prorated to account for the diversion payment. Units receiving a diversion payment in another state may not receive a diversion payment or monthly benefits in New Mexico for 12 months or the length of the period of ineligibility in the other state, whichever is shorter.

²⁴ New York has three types of diversion payments available: Diversion Payments (for crisis items such as moving expenses, storage fees, or household structural or equipment repairs); Diversion Transportation Payments (for employment-related transportation expenses); and Diversion Rental Payments (for rental housing).

²⁵ The type and amount of the payment is determined on a case-by-case basis and is dependent upon the needs of the applicant.

²⁶ Counties have the option to vary their diversion programs. These policies refer to Cuyahoga County.

²⁷ The unit may receive up to the maximum amount over a 12-month period. The maximum is \$400 for contingent need that threatens the unit's safety or health and \$700 to prevent the unit from entering TANF or to help the unit retain employment. The combined total maximum cannot be over \$1,000.

²⁸ Individuals must be employed or have a bona fide offer of employment to qualify for diversion assistance.

²⁹ South Dakota has no formal limit on the number of payments a unit may receive; however, a state source reports that it is unlikely that an assistance unit would receive a diversion payment more than once every 12 months.

³⁰ To qualify for the state's diversion program, the assistance unit must meet one of the "Crisis Criteria": (1) the caretaker or second parent loss of employment in the process month, application month, or two months prior to application; (2) a single parent must have experienced a loss of financial support from a spouse within the last 12 months due to death, divorce, separation, or abandonment and have been employed within 12 months prior to the application or process month; (3) the caretaker or second parent has graduated from a university, college, junior college, or technical training school within 12 months prior to the application or process month and is underemployed or unemployed; or (4) the caretaker and/or second parent is employed but faces the loss or potential loss of transportation and/or shelter or faces a medical emergency temporarily preventing them from continuing to work.

³¹ If the unit applies for benefits during the 12-month ineligibility period, the diversion payment becomes a loan. The amount of the loan is calculated by dividing the diversion payment by 12 and multiplying the quotient by the number of months remaining of the 12-month period since the diversion payment was received. The unit's monthly benefit is decreased by five percent each month until the loan is repaid.

³² For units that received diversion assistance before July 2000, three months are counted toward the lifetime limit.

³³ The diversion payment is considered a loan to assist with expenses related to obtaining or maintaining employment and it must be repaid.

Repayments are expected within 12 months but may be extended to 24 months. The loan may be paid back in cash or through a combination of cash and volunteer community service (valued at the higher of the state or federal minimum wage).³⁴ The caseworker may issue loans for between \$25 and \$1,600. In a 12-month period, a unit may not receive more than \$1,600 in loans or have an outstanding loan balance of more than \$1,600.

Note: Many states requiring job search at application exempt certain individuals from that requirement. See the WRD for more information about these exemptions.

¹ If transportation and/or child care are not available at application, the job search requirement will be delayed until after the TEA application is approved and supportive services can be provided.

² Two-parent households that have been assessed as job-ready are required to participate in job search while their application is pending. If child care is necessary, one parent has the option to participate in a search to find child care.

³ Job search is a mandatory part of the state's diversion program. Applicants will automatically be placed in the Early Employment Initiative (diversion) program if they (1) have a work history that equals or exceeds four months of full-time employment in the last 12 months, (2) have at least one child, (3) appear to meet TANF eligibility requirements, (4) are not in immediate need, and (5) do not meet criteria for a deferral from work requirements. Once in the program, participants will receive an activity payment and will be required to search for a job during the TANF application process. If they are not successful in securing employment, they will be eligible for TANF benefits.

⁴ Job search is not an eligibility requirement but many applicants will be assigned to job search and a will receive labor market test (a labor market test consists of a structured and assisted job search designed to assess the applicant's employability).

- ¹ A pregnant teen who has not graduated from high school is eligible from the date the pregnancy is verified.
- ² A pregnant woman must meet the eligibility requirements as if her child were already born and living with her.
- ³ A pregnant woman's financial eligibility in the month that her child is due is determined by comparing her gross income to the standard of need for one person. If she lives with the father of her unborn child, financial eligibility is determined by comparing the sum of the pregnant woman's income and the father's income to the standard of need for three people. This is the number of people who would be included in the family unit when the child is born. If income exceeds the standard, the application is denied. If income is less than the standard, only the mother's income is considered in determining the amount of the grant.
- ⁴ A pregnant woman is eligible on the first day of the month in which her child is expected.
- ⁵ A pregnant woman is eligible in the ninth month, unless her doctor verifies that she is unable to work; then she is eligible in the seventh month.
- ⁶ A pregnant woman is eligible only if she is in her last trimester and is unable to work due to medical reasons.
- ⁷ A pregnant woman and her spouse, if living with her, are eligible for assistance.
- ⁸ A pregnant woman, her unborn child, and the father of the unborn child are eligible for assistance.
- ⁹ A pregnant woman is eligible for assistance only if the child would be eligible for assistance if born. The father of the unborn child or the spouse of the pregnant woman, if living with her, is also eligible.
- ¹⁰ A pregnant woman and her unborn child are eligible for assistance.
- ¹¹ A pregnant woman and her spouse are eligible for assistance.
- ¹² The needs, income, and resources of the otherwise eligible father of the unborn child(ren) are considered in determining eligibility and payment if the father lives in the home.
- ¹³ A pregnant woman and the father of the child are eligible for assistance.
- ¹⁴ A pregnant woman who is at risk of or has a safety concern due to domestic violence may be eligible for benefits earlier.
- ¹⁵ A pregnant woman may be eligible in the seventh month if she is documented as having a high-risk pregnancy.
- ¹⁶ A pregnant woman is not eligible for benefits but can obtain employment training, job search assistance, and case management services. After the child is born, the mother and child may receive the Community Service Jobs level of benefits for the first 12 weeks.

Table I.B.2 Eligibility Rules for Two-Parent, Nondisabled Applicant Units,¹ July 2001

State	Limit on Hours	Other Rules for Applicants	
		Work History ²	Waiting Period
Washington	No Limit	No	0
West Virginia	No Limit	No	0
Wisconsin	No Limit	No	0
Wyoming	No Limit	No	0

Source: The Urban Institute's Welfare Rules Database, funded by DHHS/ACF.

Note: In some states, benefits are provided to two-parent units under a state-funded program instead of through federal TANF. This table includes the treatment of two-parent units regardless of the funding source.

¹ Eligibility rules for two-parent, nondisabled families are special categorical rules in addition to the other state rules that all units must pass. Traditionally, states imposed rules on two-parent families work effort. These rules include limits on hours of work, work history tests, and waiting periods.

² Applicants have to demonstrate previous attachment to the workforce; under AFDC, applicants were required to work at least six out of the last 13 quarters. The 13-quarter period must have ended within one year of applying for assistance. Generally, work history could also be established if one of the following applied: (1) the applicant received unemployment compensation (UC) benefits within 12 months of the date of application or (2) the applicant would have been eligible for UC benefits within 12 months of the date of application but did not apply or his or her employment was not covered by UC laws.

³ To be eligible for cash assistance, the individual has to have been employed less than 100 hours during the four-week period prior to the date of application.

⁴ Applicants must be connected to the workforce, which includes one of the following: (1) currently working at least 20 hours per week, (2) receiving Unemployment Compensation, (3) unemployed or working less than 20 hours per week and has earned \$500 within the six months prior to application, (4) receiving retirement benefits, or (5) has received disability benefits based on 100 percent disability in any of the last six months.

⁵ Applicants must have earned at least \$1,000 during the 24-month period before the month of application.

⁶ North Dakota does not provide benefits to two-parent, nondisabled units.

⁷ The parents in the unit must have a combined gross income in the past six months of at least \$1,500 and must not have voluntarily terminated employment, reduced hours worked, or refused a job offer within the previous six months (without good cause).

Notes: This table refers only to noncitizens who entered the United States on or after August 22, 1996, who are ineligible for federally funded TANF assistance due to the five-year bar or nonqualified status. Policies concerning noncitizens who entered the United States before August 22, 1996, are not captured in this table. The WRD provides more information on this group.

¹ Qualified aliens are defined under PRWORA as lawful permanent residents (includes Amerasians), refugees, asylees, individuals who have had their deportation withheld, parolees admitted for one or more years, certain battered aliens, Cuban/Haitian entrants, and aliens granted conditional entry before April 1, 1980.

² Lawful permanent residents are defined as individuals who have been admitted into the United States permanently.

³ Some groups of noncitizens listed here are not qualified aliens as defined by federal law; therefore, these groups would never be eligible for most federally funded TANF benefits.

⁴ Some American Indians born in Canada.

⁵ Parolees admitted for at least one year.

⁶ All non-qualified aliens who are not one of the following: (1) non-immigrant aliens lawfully admitted for a temporary purpose or temporary residence, or (2) undocumented aliens.

⁷ Noncitizens must have resided in the state for at least six months before being considered eligible for benefits. The residency requirement does not apply to battered noncitizens, people with mental retardation, or noncitizen groups exempted by federal law.

⁸ Noncitizens with mental retardation, some American Indians born in Canada, and individuals permanently residing in the United States under color of law (PRUCOL) as defined by the state.

⁹ Some battered immigrants who meet the qualified alien definition.

¹⁰ Some American Indians born in Canada and some battered immigrants who meet the qualified alien definition.

¹¹ To be eligible for benefits, these non-citizens must be engaged in efforts to become U.S. citizens and must have resided in Massachusetts for at least six months.

¹² Individuals permanently residing in the United States under color of law (PRUCOL) as defined by the state. To be eligible for benefits, these noncitizens must be engaged in efforts to become U.S. citizens and must have resided in Massachusetts for at least six months.

¹³ Individuals with Temporary Protective Status, and some legal immigrants 18-70 years old who have been in the state for four years and are participating in literacy or citizenship classes.

¹⁴ Individuals permanently residing in the United States under color of law (PRUCOL) as defined by the state.

¹⁵ Some American Indians born in Canada, individuals permanently residing in the United States under color of law (PRUCOL) as defined by the state, and some battered immigrants who meet the qualified alien definition.

¹⁶ Nonqualified, noncitizens who meet all other eligibility requirements, were lawfully residing in the U.S. before August 22, 1996, and were residing in the state prior to July 1, 1997.

¹⁷ All nonqualified, noncitizens who are legally in the country are eligible for assistance.

¹⁸ Parolees and some battered immigrants who meet the qualified alien definition.

Table I.C.1 Asset Limits for Applicants, July 2001

State	Asset Limit	Vehicle Exemption
Virginia		
VIEW	\$1,000	\$7,500 ^{27F/E}
All, except VIEW	\$1,000	\$1,500 ^E
Washington	\$1,000	\$5,000 ^{26E}
West Virginia	\$2,000	One Vehicle per Household
Wisconsin	\$2,500	\$10,000 ^E
Wyoming	\$2,500	\$12,000 ^{28F}

Source: The Urban Institute's Welfare Rules Database, funded by DHHS/ACF.

^E Equity value of the vehicle.

^F Fair market value of the vehicle.

¹ Units including an elderly person may exempt \$3,000; all other units exempt \$2,000.

² Vehicles used as a home, to produce self-employment income, to transport a disabled family member, or to participate in an approved work activity are also exempt.

³ The unit may exempt \$9,500 of the equity value of a vehicle or the entire value of one vehicle used to transport a handicapped person.

⁴ If the vehicle is used to look for work, travel to work, or education and training the unit may exclude \$4,650 of the value. If the vehicle is not used for these purposes, \$1,500 of the equity value will be excluded. If the vehicle is used more than 50 percent of the time to produce income or as a dwelling, it is totally excluded.

⁵ The value of one specially equipped vehicle used to transport a disabled family member is also exempt.

⁶ The asset limit is based on unit size: one person receives \$2,000, two people receive \$3,000, and three or more people receive another \$50 for every additional person.

⁷ Only liquid resources will be considered for eligibility determinations. Liquid resources include: cash, checking and savings accounts, CDs, stocks and bonds, and money market accounts.

⁸ Recreational vehicles are not exempt.

⁹ The state compares the value of the vehicle to two standards: \$10,000 of the fair market value and \$5,000 of the equity value. If the value of the vehicle exceeds either limit, the excess counts towards the asset limit; however, if the value of the vehicle exceeds both limits, only the excess of the greater amount counts toward the asset limit.

¹⁰ The value of any additional vehicle necessary for employment is also exempt.

¹¹ \$4,650 of the fair market value of the unit's second vehicle is exempt.

¹² \$1,500 of the equity value of the unit's second vehicle is exempt.

¹³ All income-producing vehicles are also exempt.

¹⁴ The asset limit is based on unit size: one person receives \$4,000, two or more people receive \$6,000.

¹⁵ The entire vehicle is exempt only if used for employment, training, or medical transportation; any motor vehicle used as a home is also exempt.

¹⁶ Units with two adults may exempt up to \$4,650 of the fair market value of a second vehicle if it is essential for work, training, or transportation of a handicapped individual.

¹⁷ The total limit is \$3,500; however, only \$1,500 of that amount can be in liquid resources and only \$2,000 can be in nonliquid resources. Liquid resources include the (convertible) cash value of life insurance policies, cash, stocks, bonds, negotiable notes, purchase contracts and other similar assets. Nonliquid resources include a second vehicle, equipment, tools, livestock (with the exception of nonsalable domestic pets), one-time sale asset conversion, and lump sum payments.

¹⁸ When public transportation is available, the value of one vehicle is exempt. When public transportation is not available, the value of one vehicle per participant involved in work activity is exempt.

¹⁹ If the vehicle is needed to seek or retain employment, the exemption is \$9,300.

²⁰ The asset limit is based on unit size: one person receives \$3,000, two people receive \$6,000, and another \$25 is allowed for each additional person thereafter.

²¹ Ohio has eliminated the asset test.

²² The application process in Oregon has more than one phase. The asset limit for applicants first applying for TANF is \$2,500. If the applicant makes it through the first stage of application, he or she must participate in the Assessment Program in which he or she is assessed and given a case plan to follow. If the applicant does not follow the case plan, he or she maintains the \$2,500 asset limit as long as he or she is in the Assessment Program. If the applicant complies with the case plan, he or she is allowed a \$10,000 asset limit.

²³ A unit may exempt \$4,650 of the equity value of a vehicle, or an entire vehicle of a special type and/or specially equipped to provide necessary transportation of a disabled family member, regardless of the equity value.

²⁴ Vehicles owned by or used to transport disabled individuals, essential to self-employment, income-producing vehicles, and vehicles used as a home are also exempt.

²⁵ In addition to one primary vehicle, an assistance unit may totally exclude a vehicle used to transport water or fuel to the home when it is not piped in, a vehicle used to transport a disabled member or SSI recipient in household, a vehicle used in producing income or as a home; an assistance unit may also exclude \$4,650 of the fair market value of a vehicle used to transport members of the unit for education or employment.

²⁶ The entire equity value of a vehicle used to transport a disabled household member is also exempt.

²⁷ If the fair market value of the vehicle is greater than \$7,500, the equity value greater than \$1,500 is counted in the resource limit.

²⁸ The \$12,000 exemption applies to one vehicle for a single-parent unit and to two vehicles for a married couple.

Table I.D.1 Treatment of Child Support Income, July 2001

State	Amount of Pass-Through ¹	Treated as Unearned Income ²	
		Amount Transferred	Amount Disregarded
West Virginia	\$50 ²¹	—	—
Wisconsin	All	—	—
Wyoming	—	—	—

Source: The Urban Institute's Welfare Rules Database, funded by DHHS/ACF.

¹ Under a pass-through, the TANF benefit is computed without counting any child support as income; then, a portion of the collected child support income is added to the benefit. This column identifies what portion of the collected amount is passed through to the family.

² States that do not have pass-throughs may still give the family some or all of the child support collected by treating it as unearned income for eligibility and benefit computation purposes. Some states that transfer the child support to the family as unearned income also disregard a portion of the amount transferred, so the entire amount does not count against the family's eligibility. These columns identify how much child support is transferred to the family as unearned income and what portion of that amount is disregarded for eligibility and benefit computation purposes.

³ Any child support collected in excess of the monthly benefit amount plus the \$50 disregard is returned to the unit.

⁴ Any child support collected in excess of the monthly benefit amount is returned to the unit. None of this support is disregarded for eligibility, but all of it is disregarded for benefit computation purposes.

⁵ In addition, any child support collected on behalf of a child subject to the family cap is treated as exempt income.

⁶ In addition to the \$50 pass-through payment, Delaware provides a supplemental child support payment. This payment is calculated by subtracting a recipient's current disposable income from his or her disposable income as it would have been calculated in 1975.

⁷ Any child support collected in excess of the monthly benefit amount is returned to the family and is disregarded for eligibility and benefit determination. If child support in excess of the monthly benefit is transferred for more than two consecutive months, the TANF case is closed.

⁸ Child support in excess of the monthly court-ordered obligation plus the monthly TANF payment is transferred to the recipient if the total amount of unreimbursed state support is \$0. Any excess payment is treated as an asset in the month of receipt.

⁹ The amount of child support collected or the amount of unmet need (also known as the gap payment), whichever is smaller, is transferred to the family as unearned income and disregarded for purposes of eligibility and benefit determination. The unmet need or gap is calculated by subtracting the maximum benefit a unit is able to receive from its Standard of Need; the unit's net income is then subtracted from this amount. The amount left is the amount of unmet need for that unit.

¹⁰ Any child support collected in excess of the monthly benefit amount is returned to the family.

¹¹ Two-thirds of the amount transferred is disregarded for eligibility and benefit computation purposes if the unit head is working. If the head is not working, none of the benefit is disregarded.

¹² Any child support collected in excess of the total lifetime benefits paid is returned to the family.

¹³ The state transfers no child support to recipients unless an amount of child support in excess of the monthly benefit is collected (which is uncommon). All but the first \$50 of collected support is counted for on-going eligibility determination. If the recipient passes on-going eligibility, all child support is disregarded for benefit computation.

¹⁴ In addition to the pass-through, the amount of unmet need (also known as the gap payment) is also transferred. The unmet need or gap is calculated by subtracting the unit's Maximum Benefit (the maximum benefit a unit is able to receive) from its Standard of Need; the unit's net income is then subtracted from this amount. The amount left is the amount of unmet need for that unit. After the pass-through, the state will transfer child support in the amount of unmet need for the family. Additionally, any child support collected in excess of the monthly benefit amount (meaning the monthly benefit plus the pass-through and the gap payment) is returned to the family.

¹⁵ All transferred support (e.g., gap payment and amount in excess of the monthly benefit) is counted for purposes of eligibility but disregarded for benefit computation.

¹⁶ All child support collected on behalf of a child subject to the family cap is transferred to the family.

¹⁷ For children subject to a family cap, the first \$90 of unearned income, including child support, is disregarded for purposes of eligibility and benefit computation; the rest is counted.

¹⁸ Any child support collected in excess of the monthly benefit amount, including cash assistance and transportation payments, is returned to the unit.

¹⁹ The gap payment is calculated by multiplying the current month's child support collection by (1 minus the unit's ratable reduction), or [child support*(1 - .363)].

²⁰ The state will add to the TANF payment the least of (1) the court-ordered payment amount, (2) the amount the Office of the Attorney General received during that month, or (3) \$50. This additional money is considered an addition to the TANF benefit, not a pass-through of child support income. This money will be disregarded for eligibility purposes.

²¹ All child support payments (including the \$50 pass-through) are considered income when testing the unit's gross income against 100 percent of need during application.

Table I.D.2 Treatment of Grandparent Income,¹ July 2001

State	Earned Income		Other Income Disregard
	Deeming	Disregard	
Alabama	Yes	20%	100% of Countable Income Divided by the Number of Persons in the Household (Inside and Outside of the Unit That the Grandparent Is Responsible for) Times the Family Size ²
Alaska	Yes	\$90	100% of Need Standard for Family Size
Arizona	Yes	\$90	100% of Need Standard for the Family Size
Arkansas	No	—	—
California	Yes	\$90 ³	100% of Minimum Basic Standard of Adequate Care for the Family Size
Colorado	Yes	*	*
Connecticut	Yes	—	100% of the Federal Poverty Level for the Family Size
Delaware	Yes ⁴	—	100% of the Federal Poverty Level for the Family Size ⁵
D.C.	Yes	\$90	100% of Standard of Assistance for the Family Size
Florida	Yes	\$90	100% of Federal Poverty Level
Georgia	Yes	\$90	100% of Standard of Need for the Family Size
Hawaii	Yes	20%	100% of Standard of Need for the Family Size
Idaho	No ⁺	—	(Grandparent Is Always Included in Unit)
Illinois	Yes	\$90	300% of Payment Standard for the Family Size
Indiana	Yes	\$90	100% of Need Standard for the Family Size
Iowa	Yes	20%	100% of Need Standard for the Family Size and 50% of the Remaining Earnings
Kansas	No ⁺	—	(Grandparent Is Always Included in Unit)
Kentucky	Yes	\$90	100% of Standard of Need for the Family Size
Louisiana	No ⁺	—	(Grandparent Is Always Included in Unit)
Maine	Yes	\$108, 50%	100% of Gross Income Test for the Family Size
Maryland	No ⁺	—	(Grandparent Is Always Included in Unit)
Massachusetts	Yes	—	200% of the Federal Poverty Level for the Family Size
Michigan	No ⁺	—	(Grandparent Is Always Included in Unit)
Minnesota	Yes	18%	200% of the Federal Poverty Level for the Family Size
Mississippi	Yes	\$90	100% of Need Standard and Payment Standard for the Family Size
Missouri	Yes	—	100% of the Federal Poverty Level for Dependent Children and 100% of Need Standard for the Family Size
Montana	No ⁺	—	(Grandparent Is Always Included in Unit)
Nebraska	Yes	—	300% of the Federal Poverty Level for the Family Size
Nevada	Yes	Greater of \$90 or 20%	100% of Need Standard for the Family Size
New Hampshire	Yes	20%	100% of Standard of Need for the Family Size
New Jersey	Yes ⁶	50%	—
New Mexico	Yes	—	130% of the Federal Poverty Level for the Family Size
New York	Yes	\$90	100% of Need Standard for the Family Size
North Carolina	No ⁺	—	(Grandparent Is Always Included in Unit)
North Dakota	Yes	Greater of \$180 or 27%	100% of Standard of Need for the Family Size
Ohio	Yes	\$90	100% of Allocation Allowance Standard for the Family Size
Oklahoma	Yes	\$120	100% of Need Standard for the Family Size
Oregon	Yes	\$90	100% of Adjustable Income/Payment Standard for the Family Size
Pennsylvania	Yes	\$90	100% of Need Standard for the Family Size
Rhode Island	Yes	\$90	100% of Cash Assistance Monthly Standard for the Family Size
South Carolina	Yes	—	185% of Need Standard for the Family Size
South Dakota	Yes	\$90, 20%	100% of Payment Standard for the Family Size

