

CENTER ON URBAN & METROPOLITAN POLICY
THE BROOKINGS INSTITUTION

The State of Welfare Caseloads in America's Cities: 1999

"The largest American cities are becoming home to a larger and larger share of the national welfare burden."

■ **Welfare caseloads are rapidly declining in America's cities.**

Between 1994 and 1998, the county welfare rolls in 30 of the largest American cities declined by 35 percent.

■ **But these urban welfare rolls are shrinking more slowly than statewide caseloads.** The states that are home to these counties saw their welfare rolls decline by 44 percent between 1994 and 1998—a rate nearly 10 percentage points faster than the urban county reductions.

■ **At the same time, state welfare caseloads are increasingly concentrated in urban areas.** Between 1994 and 1998, these counties saw their share of the states' welfare burden grow from 45 to 53 percent.

■ **While these 30 urban counties make up 20 percent of the total U.S. population, they are home to nearly 40 percent of the nation's welfare population, up from 33 percent in 1994.**

THE IMPACT OF WELFARE REFORM IN THE 30 LARGEST U.S. CITIES

National welfare rolls are at their lowest levels in 30 years. Since 1993, the rolls have declined by 44 percent, to just under 8 million people. Many large cities and urban counties have also seen their welfare rolls decline significantly in the past few years. The importance of these declines should not be diminished, but caseload decline does not tell the whole story of welfare reform in America. The largest American cities are becoming home to a larger and larger share of the national welfare burden. In 1996, the urban counties containing the 30 largest cities were home to 20 percent of the total U.S. population; yet in August of 1998, these counties contained 39 percent of the nation's welfare cases, nearly double their share of the general

population. This disparity has only worsened with the implementation of welfare reform. Just four years ago, these counties contained only 33 percent of U.S. welfare cases. Thus, while the absolute numbers are declining, the proportion of national welfare cases is rising in these urban counties, 6 percent since 1994 percentage points.

How is welfare reform playing out in cities? Why are these trends occurring? What is the proper policy response? In an attempt to answer these questions, the Brookings Center on Urban and Metropolitan Policy has been tracking welfare caseloads in some of America's largest cities since 1998 to determine the impact of welfare reform and other demographic trends on urban areas.¹ This survey does not explain where former recipients go when they leave the welfare rolls, nor does it describe the characteristics of the remaining caseload. It does, however, add a more precise spatial dimension to a discussion that frequently focuses



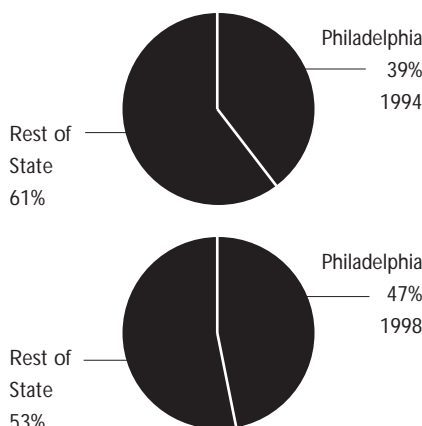
solely on national and state-level data and ignores the fact that welfare reform will succeed or fail at a local level. This discussion about welfare and cities is increasingly important, as more states hit their time limits and the cases remaining on the welfare rolls are increasingly difficult to serve. Brookings hopes to offer a clearer picture of how urban areas are faring in the current policy environment.

URBAN VS. STATE CASELOAD TRENDS

State welfare agencies provided annual welfare caseload data for 1990 through 1997 and monthly data for 1998 (January through August) for the thirty largest cities in the United States. (Data was collected for Washington, DC, but was excluded from the analysis because there is no corresponding state for comparison.) The 1998 data used in the analyses is an eight-month average (January through August) of the caseload figures available at the time the survey was conducted. Because the counties have traditionally administered welfare programs, the welfare caseload data is principally county data, not city data. Baltimore (a city), New Orleans (a parish), and New York City (a city which contains 5 counties) are three major exceptions to this rule. In some areas, like Philadelphia and Denver, the county border is coterminous with the city border, and thus the county and city data are the same. In other areas, like Houston-Harris County and Columbus-Franklin County, the use of county data may distort city-specific trends with the inclusion of non-central city suburban jurisdictions. Faster caseload declines in suburban areas of the county might mask slower declines and higher caseload concentrations in the county's truly urban areas.

The welfare data was analyzed in two ways: (1) caseload concentration and (2) relative speed of decline.

Philadelphia Welfare Caseload 1994–1998



Concentration of Remaining Welfare Cases

The county's share of the state welfare caseload is the "caseload concentration" figure. In many places, state welfare cases have become more concentrated in urban counties—a phenomenon especially pronounced after the implementation of welfare reform.

Of the twenty-nine counties surveyed, fourteen saw their share of the state welfare burden increase over the past four years ("concentrating" counties). Eight counties' proportional welfare caseloads remained constant with less than one percent change ("stable" counties), and seven counties actually experienced a reduction in their shares of the state welfare rolls ("deconcentrating" counties). Milwaukee County contained the greatest absolute share of the state caseload, with 86 percent of Wisconsin's welfare rolls, while San Francisco County contained the smallest share, with a mere one percent of California's caseload. The greatest increase in state caseload concentration was also in Milwaukee County: its share of Wisconsin's caseload grew from 57 percent in 1994 to 86 percent in 1998. In the same period, Jacksonville-Duval County's share of Florida's welfare caseload was cut nearly in half, from 7.7 percent in 1994 to 4.3 percent in 1998—the largest decrease in concentration for the counties surveyed. (See Appendix A.)

Pace of Urban Caseload Declines

Brookings compared the urban counties' welfare caseload decline with the respective state's rate of decline. To determine the "relative speed of decline" between the counties and their states, this survey expressed the county caseload change (1994–1998) as a percentage of the state caseload change.⁷

Of the twenty-nine counties examined, a majority (14) had rates of welfare caseload decline that lagged behind their respective states (the "slower" counties). Six counties (the "same" counties) experienced caseload declines at rates that were approximately the same as their respective states (that is, at rates 95 to 105 percent of the state rate). Nine counties' welfare rolls declined at rates faster than their respective states (the "faster" counties). The slowest jurisdiction surveyed (relative to its state) was El Paso County, where the welfare rolls declined 41 percent slower than the statewide rolls, or at 59 percent of Texas's rate of decline. The fastest county by far was San Jose-Santa Clara County where the county's welfare caseloads dropped 108 percent faster, or at 208 percent of California's. (See Appendix C.)

It is important to note that the differing state rates of caseload decline may distort the relative pace of the counties. California's relatively slow rate of declines (27 percent) makes most California counties—San Diego (29 percent), San Francisco (34 percent) and Santa Clara (44 percent) counties—"fast" in comparison.⁸ Conversely, the state of Wisconsin has experienced such dramatic caseload declines (87 percent) that Milwaukee County's hefty 72 percent decline in the number of families on welfare is "slow" in comparison. (For a list of absolute declines in these counties and states, see Appendix D.)

Not surprisingly, there is a great deal of overlap between the counties with increasing concentrations of state caseloads and those with slower rates of decline than their states. All of the "slower" counties except San Antonio-Bexar County were also experiencing an increase in their concentration



of the state welfare rolls. Conversely, all of the concentrating counties except for Portland-Multnomah County have experienced slower caseload decline than their respective states.

To illustrate, Memphis-Shelby County's rate of welfare caseload decline was 28 percent slower than Tennessee's statewide rate of decline. (The percentage declines for Shelby County and Tennessee were 33 and 49 percent, respectively.) Despite significant welfare caseload declines, Shelby County's rate of decline lagged behind the state's overall rate, and subsequently the county's share of Tennessee's caseload increased from 28 to 35 percent between 1994 and 1998. (Shelby County contains only 16 percent of Tennessee's general population.)

BEHIND THE TRENDS

What explains the diverse experiences of these urban counties with welfare reform? What trends are driving the divergent urban welfare caseload declines? A comparison of the welfare caseload trends with other social and economic indicators and regional trends suggests that several factors may be at work.

■ **Urban areas with higher levels of concentrated poverty tend to have higher concentrations of state welfare caseloads.** The survey findings are consistent with what research has told us about concentrated poverty.⁴⁷ Concentrated poverty is associated with the social characteristics and activities that define the hard-to-serve welfare population: illiteracy, chronic unemployment, substance abuse, school dropout, and teenage pregnancy and out-of-wedlock births. Concentrated poverty is an urban phenomenon; thus data used in this analysis is for central cities.⁴⁸ The counties with concentrating caseloads have significantly higher percentages of their populations living in high-poverty census tracts⁴⁹ than the stable or deconcentrating counties.

The fourteen concentrating counties averaged 15.4 percent of their populations living in these high-poverty neighborhoods. Portland, Los Angeles, Nashville, and Oklahoma City were outliers with relatively low rates of concentrated poverty (3.6, 5.8, 6.2 and 6.8 percent, respectively). The eight stable counties' concentrated poverty average was exactly half the rate of the concentrating counties—an average of 7.7 percent. The average concentrated poverty rate for the seven deconcentrating counties was 4.8 percent—roughly one-third of the concentrating counties' average. The two de-concentrating Texas counties (Houston-Harris County with 9.2 percent and Dallas County with 7.5 percent) had significantly higher concentrated poverty rates than the remaining de-concentrating and stable counties. The national concentrated poverty average for all central cities is 9.8 percent, and the average for the thirty largest U.S. cities (including Washington, DC) examined in this survey was 10.1 percent. (See Appendix A for concentrated poverty rates.)

■ **Older cities in the South, Northeast, and Midwest tend to have increasing shares of state welfare rolls.** There are some exceptions: Jacksonville-Duval County, Boston-Suffolk County, Columbus-Franklin County and Indianapolis-Marion County.⁵⁰ Welfare rolls in the Southwestern and Western counties were generally declining either faster than or at the same rate as their respective states. The exceptions to this trend were two counties that encompass relatively poor Southwestern cities—El Paso County and Oklahoma County—and Los Angeles County and Portland-Multnomah County in the West. The West and Southwest counties may simply be large enough that when aggregated data is used, any central city effect in caseload reduction and concentration is distorted and minimized. The Southern, Northeastern, and Midwestern counties may encompass a smaller “buffer zone” of non-central-city popu-

lation, and thus proportionately more of the city caseload and its trends are reflected in the county-level data.

■ **Unemployment rates are higher in cities where caseloads are concentrating.** Central city unemployment rates⁵¹ (August 1998) for the concentrating counties averaged 6.3 percent, while the stable and deconcentrating counties averaged 3.6 and 3.7 percent respectively. El Paso County (10.1 percent) and Baltimore city (9.8 percent) had the dubious honor of having the highest unemployment rates. Nashville-Davidson County and Indianapolis-Marion County had the lowest rate, with only 2.4 percent unemployment in those counties (data was unavailable for these central cities). The central city with the lowest unemployment was Columbus (2.8 percent). Average unemployment nationally for August 1998 was 4.5 percent. Central city unemployment rates may be even higher when looking at the specific neighborhoods or populations most impacted by welfare reform.⁴⁴ (See Appendix A for August 1998 unemployment rates.)

POLICY IMPLICATIONS

These findings have important policy implications for the way that federal, state and local leaders effectively implement welfare reform, particularly in communities where welfare recipients are most concentrated.

FEDERAL IMPLICATIONS

■ **Provide flexible funding to cities.** The federal government should take steps to ensure that urban areas—the counties that currently administer welfare and the cities themselves—are not the losers in the devolution game. Under TANF (the 1996 welfare reform law), federal funding for welfare is block-granted to states with few guidelines on subsequent allocations to localities. One



federal program is specially targeted at cities: the Department of Labor's Welfare-to-Work grants. Some states like Ohio turned down this additional funding citing constraining federal rules and regulations. The Administration should eliminate unnecessary restrictions on funding to maximize states' and cities' flexibility and innovation as well as accountability. The expansion of eligibility in the Administration's proposed reauthorization of the Welfare-to-Work grants is a good start.

- **Coordinate funding streams.** The implementation of the Workforce Investment Act of 1998 is another important piece of the welfare puzzle. The new job training block grant to states should compliment welfare-to-work efforts by enhancing access to education, training, and employment across jurisdictional boundaries. This way, city residents can connect to regional opportunities and overcome the social and spatial isolation associated with concentrated poverty.

STATE IMPLICATIONS

- **Invest in innovation.** Large TANF surpluses (\$3 billion from last year alone) pose a dilemma for most state policymakers. With shrinking welfare rolls and excess federal funding, many are torn between pumping money into programs now or saving the reserves for a "rainy day" when the economy worsens and caseloads increase. However, this either-or, spend-or-save dichotomy is misleading. Investments in social policy innovations now could save states money in the long run, if poverty is reduced along with dependence on public assistance.
- **Account for concentrated poverty.** States should also re-examine their allocation formulas as welfare cases continue to accumulate in urban areas. Additional funding—in excess of a per

capita allocation—may be necessary to compensate for the higher cost of concentrated poverty.

- **Respond to the urban challenge.** For political reasons, states may have difficulty relating to their primary "welfare reservoirs"—places that contain a quarter or more of the state caseload. Over the past four years, nearly 80 percent (11/14) of counties with increasing concentrations of their state's welfare rolls contained one-quarter or more of their state's caseload. Of the counties where state caseloads did not become more concentrated (and either remained the same or decreased) only 13 percent (2/15) contained more than 25 percent of the state caseload. States need to recognize the magnitude of the multiple challenges converging in large cities—concentrated poverty, population and job loss, and bloated bureaucracies. The urban welfare problem is qualitatively different from the suburban problem and therefore requires uniquely tailored solutions.

LOCAL & REGIONAL IMPLICATIONS

- **Understand the hardest-to-serve.** Local governments should understand the barriers facing the families who remain on welfare in order to help them become self-sufficient. Cities and counties also need to start thinking beyond welfare—the pool of people who may cycle back onto public assistance in the event of a recession, as well as those who are prevented from receiving benefits due to time limits.
- **Think regionally.** Urban jurisdictions must connect to their larger metropolitan areas. Welfare recipients need not be trapped in job-poor jurisdictions because of bureaucratic fragmentation. Welfare and workforce programs should coordinate across parochial boundaries to connect low-income central city residents with metropolitan employment and training opportunities.

- **Leverage existing neighborhood institutions.** Community institutions—both faith-based and secular—tend to focus principally on the production and preservation of affordable housing. They could play a useful role in helping welfare recipients make the transition to work (e.g. recruiting, connecting to suburban employers). A number of CDCs, for example, have begun to make these job linkages and provide job supports.

- **Achieve transportation equity.** Cities and urban counties should strive to make low-income transportation strategies an integral part of the mainstream transportation system. In many areas, urban transportation systems have failed to connect low-income central city residents to the metropolitan labor market. As the Department of Transportation implements the Job Access portion of the new highway legislation, communities should leverage this short-term funding opportunity to expand or streamline existing transit services and explore a range of non-transit solutions like subsidized car ownership for welfare recipients. This kind of innovation will help bridge the gap between central city workers and suburban jobs.

- **Build a sophisticated information network.** Local jurisdictions need a basic understanding of the demographic and economic dimensions of their region. Identifying the regional job centers, the neighborhoods where the bulk of the region's welfare recipients live, and the adequacy of transit lines that connect the two are crucial steps in designing programs that will help people move closer to self-sufficiency and reduce welfare caseloads in the process. Comprehensive mapping and analysis of the Cleveland area led to legislative changes in transit routes to better connect low-income central city residents to entry-level jobs out in the suburbs.



APPENDIX A: COUNTY PERCENTAGE OF STATE WELFARE CASELOAD & TOTAL POPULATION WITH CENTRAL CITY CONCENTRATED POVERTY & UNEMPLOYMENT RATES

JURISDICTION	PERCENT OF STATE CASELOAD 1994	PERCENT OF STATE CASELOAD 1998	CASELOAD TREND 1994-98	PERCENT CONC. POVERTY: CENTRAL CITY 1990	PERCENT UNEMPLOYMENT: CENTRAL CITY 8/98 * = county data	PERCENT OF TOTAL STATE POPULATION 1996
Milwaukee Co.	56.6%	85.9%	+	20.6%	5.5%	17.9%
New York City	68.0%	69.5%	+	12.9%	7.3%	40.7%
Cook Co. (Chicago)	64.0%	67.0%	+	13.2%	5.5%	43.0%
Baltimore City	48.3%	56.2%	+	13.7%	9.8%	13.3%
Wayne Co. (Detroit)	42.4%	47.9%	+	32.3%	6.3%	21.0%
Philadelphia Co.	38.5%	47.4%	+	13.8%	5.9%	12.3%
Los Angeles Co.	34.4%	35.6%	+	5.8%	7.5%	28.7%
Shelby Co. (Memphis)	28.4%	35.1%	+	21.2%	4.8%	16.3%
Orleans Parish (New Orleans)	27.9%	29.0%	+	29.0%	6.7%	11.0%
Oklahoma Co.	25.2%	28.5%	+	6.8%	3.5%	19.1%
Multnomah Co. (Portland)	24.2%	25.2%	+	3.6%	5.1%	19.5%
Cuyahoga Co. (Cleveland)	19.4%	24.2%	+	19.9%	7.9%	12.6%
Davidson Co. (Nashville)	13.2%	14.5%	+	6.2%	2.4%*	10.1%
El Paso Co.	5.1%	6.6%	+	16.0%	10.1%	3.6%
Marion Co. (Indianapolis)	22.1%	21.8%	=	3.2%	2.4%*	14.0%
Suffolk Co. (Boston)	21.5%	21.3%	=	3.9%	3.2%	10.6%
Franklin Co. (Columbus)	10.6%	10.2%	=	10.5%	2.8%	9.1%
Bexar Co. (San Antonio)	8.1%	8.7%	=	16.3%	4.4%	6.9%
San Diego Co.	7.4%	6.7%	=	3.2%	3.9%	8.3%
Tarrant Co. (Fort Worth)	5.0%	4.3%	=	4.9%	4.5%	6.8%
Travis Co. (Austin)	2.6%	2.5%	=	5.8%	3.2%	3.6%
San Francisco Co.	1.5%	1.2%	=	1.7%	4.0%	2.3%
Maricopa Co. (Phoenix)	54.0%	51.0%	-	4.5%	3.2%	58.9%
Denver Co.	27.4%	24.2%	-	4.9%	3.5%	13.0%
King Co. (Seattle)	23.8%	21.7%	-	3.6%	3.3%	29.3%
Harris Co. (Houston)	19.7%	14.4%	-	9.2%	5.2%	16.4%
Dallas Co.	11.1%	10.1%	-	7.5%	4.4%	10.5%
Duval Co. (Jacksonville)	7.7%	4.3%	-	4.2%	2.5%*	5.0%
Santa Clara Co. (San Jose)	3.5%	2.5%	-	0.0%	4.1%	5.0%



**APPENDIX B: WELFARE CASES IN COUNTIES
& STATES SURVEYED**

YEAR	WELFARE CASES IN 29 COUNTIES	WELFARE CASES IN 19 STATES	COUNTIES' CONCENTRATION OF STATE CASES
1994	1,674,452	3,720,928	45.0%
1998	1,113,889	2,121,815	52.5%
% Declines 94-98	33.5%	43.0%	-

**APPENDIX C: RELATIVE SPEED* OF WELFARE CASELOAD DECLINE, 1994-1998
(*COUNTY CASELOAD DECLINE EXPRESSED AS A PERCENTAGE OF STATE DECLINE)**

SLOWER (< 95% of State Rate)		SAME (95%-105% of State Rate)		FASTER (> 105% of State Rate)	
El Paso Co.	58.9%	Multnomah Co. (Portland)	97.0%	Denver Co.	110.8%
Philadelphia Co.	59.5%	Marion Co. (Indianapolis)	101.6%	Dallas Co.	112.7%
Cuyahoga Co. (Cleveland)	69.7%	Suffolk Co. (Boston)	101.8%	Tarrant Co. (Fort Worth)	118.5%
Shelby Co. (Memphis)	71.7%	Travis Co. (Austin)	102.9%	King Co. (Seattle)	126.6%
Baltimore city	79.7%	Franklin Co. (Columbus)	104.5%	Duval Co. (Jacksonville)	137.3%
Wayne Co. (Detroit)	85.0%	Maricopa Co. (Phoenix)	104.9%	San Diego Co.	137.6%
Milwaukee Co.	85.3%			Harris Co. (Houston)	138.4%
Los Angeles Co.	86.2%			San Francisco Co.	163.8%
Oklahoma Co.	86.7%			Santa Clara Co. (San Jose)	208.1%
Davidson Co. (Nashville)	87.7%				
Bexar Co. (San Antonio)	89.3%				
Cook Co. (Chicago)	89.9%				
New York City	94.2%				
New Orleans Parish	94.6%				



APPENDIX D: ACTUAL STATE & COUNTY CASELOADS & PERCENT DECLINES

STATE	NUMBER OF WELFARE FAMILIES 1998	PERCENT REDUCTION SINCE 1994	JURISDICTION IN STATE	NUMBER OF WELFARE FAMILIES 1998	PERCENT REDUCTION SINCE 1994
WISCONSIN	12,241	83.9%	Milwaukee County	10,519	71.6%
OREGON	18,770	55.5%	Multnomah County (Portland)	4,729	54.2%
FLORIDA	105,705	54.2%	Duval County (Jacksonville)	4,549	74.4%
COLORADO	20,234	51.9%	Denver County	4,904	57.4%
INDIANA	34,975	49.3%	Marion County (Indianapolis)	7,609	50.1%
OKLAHOMA	23,607	48.3%	Oklahoma County	6,728	43.1%
ARIZONA	37,677	46.7%	Maricopa County (Phoenix)	16,886	55.7%
MICHIGAN	120,715	46.0%	Wayne County (Detroit)	57,791	39.1%
TENNESSEE	57,517	45.6%	Davidson County (Nashville)	8,351	40.0%
			Shelby County (Memphis)	20,188	32.7%
OHIO	136,558	44.6%	Cuyahoga County (Cleveland)	33,003	31.1%
			Franklin County (Columbus)	13,972	46.6%
MARYLAND	124,577	44.4%	Baltimore City	69,962	35.4%
LOUISIANA	47,875	42.9%	Orleans Parish (New Orleans)	13,904	40.5%
TEXAS	163,271	41.1%	Bexar County (San Antonio)	14,252	36.7%
			Dallas County	16,458	46.3%
			El Paso County	10,784	24.2%
			Harris County (Houston)	23,543	56.9%
			Tarrant County (Fort Worth)	7,031	49.3%
			Travis County (Austin)	4,125	42.3%
MASSACHUSETTS	65,098	39.3%	Suffolk County (Boston)	13,880	40.0%
PENNSYLVANIA	133,145	36.3%	Philadelphia County	63,053	21.6%
ILLINOIS	169,379	31.7%	Cook County (Chicago)	113,419	28.5%
NEW YORK	332,390	27.6%	New York City	230,942	26.0%
WASHINGTON	76,823	25.3%	King County (Seattle)	16,682	31.9%
CALIFORNIA	709,898	21.0%	Los Angeles County	252,646	18.1%
			San Diego County	47,562	28.9%
			San Francisco County	8,590	34.4%
			Santa Clara County (San Jose)	17,827	43.7%



ENDNOTES

- i* In May 1998, Brookings released "The State of Welfare Caseloads in America's Cities," a predecessor to this report. That study looked at 23 jurisdictions in all, and when possible, both city and county-level data were examined. These 23 jurisdictions were selected randomly, but had a heavy Northeastern orientation. This report broadens the survey to examine the 30 largest cities in America. Thus, no generalizations or comparisons can be made between the two studies. The earlier report is available in Adobe Acrobat format at <http://www.brookings.edu/ES/Urban/welfarekate.pdf>.
- ii* To illustrate, if State A's caseload declines by 4 percent and City A's caseload by 2 percent, there is a two percentage point difference in absolute decline, but City A's rate of decline is 50 percent (or 2/4) of the State's. If State B's caseload declines by 40 percent and City B's by 38 percent, there is also a 2 percentage point difference, but City B's rate of decline is 95 percent (or 38/40) of the State's.
- iii* Thus, the "relative speed of decline" analysis is useful to gauge a county's pace relative to its own state- not to gauge a county's pace relative to other counties outside that same state.
- iv* Concentrated poverty data is from the 1990 Census and was analyzed by the U.S. Department of Housing and Urban Development in January 1998.
- v* El Paso is a notable exception to this rule. The central city concentrated poverty rate in El Paso is 16 percent, yet the suburban concentrated poverty rate is an astonishing 53.7 percent.
- vi* "High-poverty" census tracts are defined by the Census as those tracts with 40 percent or more of the population in poverty.
- vii* The Columbus/Indianapolis exceptions are especially interesting, as these two Midwestern cities are "elastic" cities (to use David Rusk's term). That is, they are able, either through city-county consolidation or annexation, to expand beyond their original boundaries and acquire new land and population. It is uncommon for Midwestern cities to be "elastic." The aggregation of suburban and urban populations within these city/county borders may mask increased welfare caseload concentrations in the "core" central city, and help explain the stable caseload shares in these two counties.
- viii* Central city unemployment data is for August 1998, and is not seasonally adjusted. Bureau of Labor Statistics website: <http://stats.bls.gov/lauhome.htm>.
- ix* Jared Bernstein, *Low-Wage Labor Market Indicators by City and State: The Constraints Facing Welfare Reform, Economic Policy Institute Working Paper No. 118* (October 1997).
- x* High poverty cities spend more per capita on primary poverty functions (like welfare and health care), and also spend more per capita on other public functions (like education, sanitation, and police services) than do cities with low poverty. "The effect of poverty is large, \$27.75 in other expenditures per capita per additional percentage point in the city's poverty rate." Janet Rothenberg Pack. *Poverty and Urban Public Expenditures*. URBAN STUDIES, vol.35, no.11, page 2009 (1998).

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