



# BROOKINGS GREATER WASHINGTON RESEARCH PROGRAM

## WASHINGTON AREA TRENDS

### Welfare Rolls No Longer in Rapid Decline

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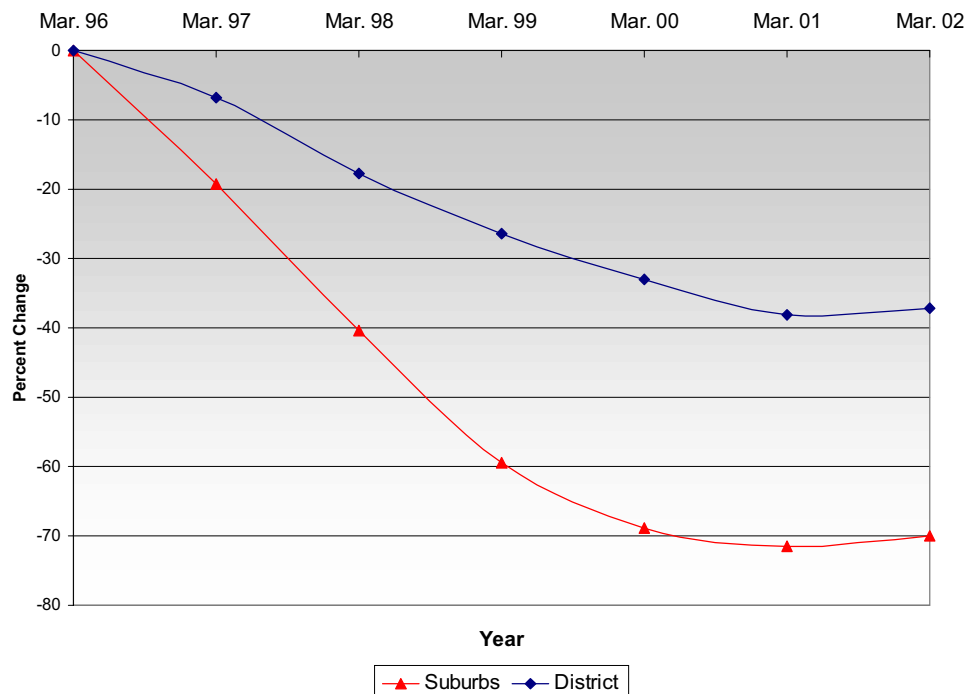
Washington area caseloads are no longer in rapid decline. Area caseloads dropped dramatically after the enactment of the Temporary Assistance for Needy Families (TANF) program in 1996, from 47,730 to 22,994 in 2000. In the past two years, however, caseloads have leveled off and even increased slightly in some suburban jurisdictions (see Table 1). This leveling off was expected at some point because there are cases that will need continuous assistance, such as child only cases, where the child is being cared for by a relative, and exempt cases involving persons with disabilities or other prob-

lems that make it permanently impossible for them to work.

The District's 37 percent decrease in cases from 1996 to March 2002 was about half the 70 percent decrease in the suburbs (see Chart 1). While the District's reduction was impressive, stable caseloads could leave the city with a disproportionate 72 percent share of area welfare cases compared to 54 percent in 1996. In earlier reports, the lower reduction in cases in the District in the early years was attributed to a slower and less aggressive start to implementation measures than occurred in the

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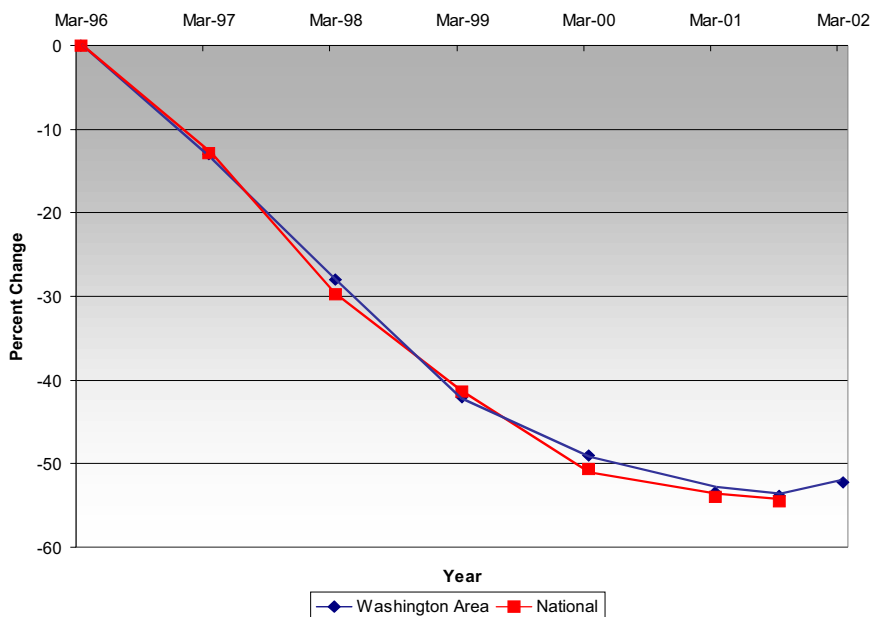
**Chart 1: Changes in TANF Cases, March 1996 to March 2002**



Source: D.C. Department of Human Services, Maryland Department of Human Resources, and Virginia Department of Social Services.



**Chart 2: Changes in Washington Area and National TANF Cases, from March 1996**



Source: Department of Health and Human Services, D.C. Department of Human Services, Maryland Department of Human Resources, and Virginia Department of Social Services.

The stabilizing of cases in the Washington area is almost identical to the national experience through September 1, 2001 (see Chart 2). From September 2001 to March 2002, Washington area caseloads have even increased slightly. National information is not available yet through March 2002, but some reports suggest it may also show a slight increase in cases. While it might appear that the stabilizing of welfare cases has occurred because of the sluggish economy, the end of the decrease in cases occurred in late 2000, at a time when the local and national economy were very robust.

suburbs. But the lack of any significant reduction since September 2000 suggests that

the District, like the suburbs, has completed most of the reductions that were initially achievable.

A major concern about the long term outlook for welfare reform has been the question of whether welfare rolls will increase sharply during a national recession. In the Washington area, at least, the recent recession caused little, if any, increase in welfare cases. In January 2001, before the start of the recent recession, the six major local jurisdictions in the Washington area had 22,403 active welfare cases. In October 2001, at the end of the recession, the area had 22,623 cases. The increase of 220 cases is within the usual month-to-month variance and does not appear to have a relation to either the recession or the events of September 11.

**Table 1: Changes in Welfare Cases**

|                        | Mar. 96       | Sept. 00      | Percent Change | Mar. 02       | Sept. 00 to Mar.02 |
|------------------------|---------------|---------------|----------------|---------------|--------------------|
| <b>District</b>        | 26,023        | 16,645        | -36.0%         | 16,358        | -1.7%              |
| <b>Montgomery</b>      | 4,023         | 899           | -77.7          | 981           | 9.1                |
| <b>Prince George's</b> | 11,342        | 3,471         | -69.4          | 3,612         | 4.1                |
| <b>Alexandria</b>      | 1,444         | 539           | -62.7          | 533           | -1.1               |
| <b>Arlington</b>       | 1,320         | 380           | -71.2          | 323           | -15.0              |
| <b>Fairfax</b>         | 3,795         | 1,060         | -72.1          | 1,125         | 6.1                |
| <b>Suburbs</b>         | 21,924        | 6,349         | -71.0          | 6,574         | 3.5                |
| <b>Total</b>           | <b>47,947</b> | <b>22,994</b> | <b>-52.0%</b>  | <b>22,932</b> | <b>-0.3%</b>       |

Source: D.C. Department of Human Services, Maryland Department of Human Resources, and Virginia Department of Social Services.

**For General Information:**

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