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Major Means-tested and Income Support Programs for the Working Class, 2009-2019

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Introduction

The labor market and economic trends covered by other authors in this volume exist alongside safety net and social insurance programs that both shape and are shaped by the labor supply and socioeconomic well-being of low- and moderate-earning workers and their families. As we reflect on the well-being of America's working class during the decade of recovery that followed the Great Recession in 2009, changes in the reach, coverage, and performance of social insurance and means-tested programs necessarily comprise part of the overall picture.

To this end, this article examines trends in income support programs for low-income workers and their families from 2009 through 2019. We focus on five programs that support the income of households with workers or potential workers: the Earned Income Tax Credit (EITC), the Child Tax Credit (CTC), the Supplemental Nutrition Assistance Program (SNAP), Unemployment Insurance (UI) and Temporary Assistance to Needy Families (TANF). In alignment with the volume's overall focus on the "working class," all of these programs provide benefits to the household of working-age adults with the capability to participate in the labor market and earnings below or around the median. We leave coverage of income support for non-workers to Leila Bengali and colleagues (this volume) who cover the interplay between disability programs and employment over this time period. While other programs such as child care subsidies, Medicaid, and housing subsidies provide important supports for families who receive them, we limit this analysis to cash or cash-like programs with the most straightforward labor supply implications for workers.

How did income support program policies and coverage change over the most recent expansionary period? What do these trends and shifts of selected program provisions and workers' participation in them foretell for the pandemic downturn? Our analysis pays attention to policy coverage, benefits, and outcomes over the period 2009-2019. Changes in program provisions, including target beneficiaries, coverage, and benefits, speak to a program's generosity and policymakers' intent. These matters hold substantive importance for the well-being of program participants and potential participants as well as symbolic significance in that they represent negotiated political agreements on the role of social welfare programs. We then examine outcomes of these policy changes through tracking caseload counts, and the ratio of caseloads to potentially eligible households, and provide state-level differences on other program dimensions in some instances. We conclude with a cross-program discussion of the state of the safety net for low- and moderate-income households with workers as of the beginning of 2020 and the likely impact of such program designs on attenuating hardship in the pandemic era and post-pandemic recovery.

Evolution of the US Welfare State through 2009

The US safety net has evolved over time, with expansions and contractions reflecting overarching economic conditions and political sentiment. The first major expansion - and the bedrock of today's system - was the Social Security Act of 1935. Responding to the disruptions of the Great Depression, this effort established the Unemployment Insurance system and cash assistance for families with children. Another wave of legislative and court actions in the 1960s added food assistance and expanded access to entitlement cash assistance. Then as politics shifted, the US pulled away from entitlement-based provisions and toward neoliberal principles

calling for maximum labor force participation (Abramowitz 2012). Expansions of the EITC and federal waivers to experiment with work-based welfare in the 1980s and 1990s portended the 1996 welfare reforms that ushered in TANF and made cash assistance largely dependent on market work. Indeed, by the early 2000s, safety net spending had shifted away from the non-working poor toward low-earning workers. Policy responses to the Great Recession (GR) reversed this trend somewhat; spending during the GR and in its immediate aftermath was distributed more evenly than prior spending across deeply poor, poor, and near-poor households, with increases for families with elderly or disabled members (Moffitt 2018).

While we know that spending trends in public provisions for lower-income families are important metrics in understanding program effectiveness, it tells us less about how low and moderate-income families have fared since the Great Recession relative to target programs. Overall, policy reactions to the Great Recession – as illustrated by the American Recovery and Reinvestment Act (ARRA) of 2009 provided largely temporary measures in program support suggesting a post-recovery trajectory of the previous several decades. To these ends, our analysis covers the economic expansion that began in June 2009 through 2019 to assess program trends in the post-expansion context.

A nuanced picture of the robustness of the safety net must consider provisions at both federal and state levels. The federalist structure of the US government shapes the development and evolution of the social safety programs (Pierson 1995; Meyers, Gornick, & Peck 2001). The division of rights and responsibility for funding, program design, and rule-setting between the federal and state (and sometimes local) governments varies by program. TANF and UI programs began at local or state level and federalized under the Social Security Act of 1935 as a policy response to the Great Depression. Despite their different joint federal-state funding

mechanisms, these two programs have remained highly decentralized in rule-making and administration. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 facilitated the welfare devolution revolution, granting states more discretion on TANF block grant allocation, program rules and administration. SNAP (previously Food Stamps) was established in the context of War on Poverty and the Great Society in the 1960s. SNAP is federally funded with nationally uniform eligibility and benefit rules, but it is administered by states. The Earned Income Tax Credit (EITC), enacted under the Tax Reduction Act of 1975, is fully financed by the federal revenues and administered by the federal Internal Revenue Service (IRS), but many states independently have added EITCs to their own state tax programs. Research has shown that the federal-state feature of the program design contributed to cross-state and cross-program variations in policy responses to economic cycles (Bruch, Meyers, and Gornick 2018; Chang 2015; Gais 2009; Schott, Pavetti, and Floyd 2015).

The Contemporary Safety Net

The US safety net includes both social insurance programs, designed with broad (if not universal) eligibility, and means-tested programs that provide benefits only to lower-income households. Why is it important to think about the safety net as we think about the well-being of America's working class over the economic recovery that was? Part of the answer is in the concept of a safety net – it is what is supposed to catch people when the labor market is not enough. Even a robust economy will have workers temporarily out of jobs as well as persons for whom market work is temporarily, or more permanent, incompatible with other life circumstances. Furthermore, many jobs pay workers less than needed to afford basic life necessities. Hence the agility of the safety net, or the extent to which safety net provisions are

used, matters for the well-being of households, particularly low- and moderate-income households without substantial assets.

Social insurance and means-tested programs also shape labor supply. The simplified utility-maximizing theory underpinning economic models of the labor market holds that for an individual, working for wages makes sense if it is an improvement over the fallback position of subsisting without work. In this framework, a generous safety net may make it possible for workers to stay out of the labor market; hence, improvements in the safety net may indirectly place upward pressure on wages and work conditions. Inversely, restrictions in the generosity of benefits available to non-workers increase incentives to work. For instance, strong evidence shows that the EITC, which - by design - goes only to tax filers with earned income, increases participation in the labor force especially among unmarried parents (Eissa and Hoynes 2006; Schanzenback and Strain 2020). Conversely, such incentives likely only work for lower-income households with a stable worker. For instance, despite the retrenchment of TANF provisions (average monthly TANF benefits are lower now than in 1997 after accounting for inflation) TANF participants remain, on average, no better off than prior to reform in work, income, poverty, deep poverty, or material hardship measures. What role has access to such provisions played in post-Great Recession trends and patterns?

Trends in Program Policies, 2009-2019

TANF

The ARRA provided a \$5 billion TANF Emergency Fund available to states for fiscal years 2009 and 2010. States could apply to the ARRA TANF Emergency Fund to receive additional funding to support cash assistance, subsidized employment, and short-term supports

such as emergency assistance. The maximum amount that any state could receive in ARRA TANF Emergency Funds over 2009 and 2010 was half of one year's TANF block grant amount (Schott, 2009). States' that received emergency fund dollars were allotted 80 percent of costs dependent on demonstrating a rise in caseloads relative to 2007 or 2008. States could also apply to keep their work participation rate at 2007 or 2008 levels due to the weak labor market. The ARRA TANF Emergency Fund expired at the end of 2010. Since its lapse, the TANF program has seen few changes in structure; it continues to be block grant supported with broad authority in program design residing with states, and few changes in coverage of eligible families or average benefits as evidenced by this chapter. TANF was last reauthorized was in 2005 through the Deficit Reduction Act. Since then, TANF has been funded through short-term extensions.

SNAP

Four pieces of federal legislation - one immediately before and three during the 2009-2020 recovery -shaped SNAP over this period. First, the 2008 Farm Bill – passed during the Great Recession – updated the program that until then had been known as Food Stamps. Beyond the new moniker, the 2008 bill upped the minimum benefit and contained provisions to modernize and streamline state administration, including options for simplified reporting and longer certification periods in some cases (Rosenbaum 2008). Then the 2009 ARRA boosted SNAP's minimum benefit from mid-2009 (as the recovery was, in retrospect, beginning) through November 2013. When the ARRA provision expired in late 2013, benefit rates then dropped (Keith-Jennings and Rosenbaum 2015).

The 2014 Farm Bill did not restore the ARRA-level benefits or expand benefits as anti-hunger advocates hoped but also did cut eligibility as the then Republican-controlled House of

Representatives had proposed (Bolen, Rosenbaum, and Dean 2014). Rather it took a middle path of strengthening administrative processes and closing some identified loopholes. As a nod toward stakeholders who believed that benefits reduce recipients' work effort, the bill also contained funding for pilot programs and advancement of the SNAP Employment & Training efforts. This was a carrot for employment relative to the "sticks" suggested by the House. The 2018 Farm Bill did include these employment mandates, however, most notably the Able-Bodied Adults Without Dependents (ABAWD) clause, which limited SNAP eligibility for persons without a medical reason for nonwork nor dependents to 3 months of SNAP in within a three-year period. Applicants who were working or participating in training, volunteer or workfare activities could still receive benefits.

EITC

By the advent of the 2000s, the federal Earned Income Tax Credit was credited as the US's largest and most successful anti-poverty measure (Hoynes, 2014). The EITC supplements total earnings with a subsidy amount that phases in, plateaus, and then phases out relative to earnings and family size. The federal EITC is refundable, meaning that it is dispersed even if the tax filer does not have an offsetting tax liability. By supplementing income for tax filers who earned some money through market work, the EITC boosts income enough to move many low-earning workers and their families from under to over the federal poverty threshold. The ARRA contained two expansions to the EITC that were subsequently maintained. First, the bill created a more generous credit for families with three or more children, raising the overall credit amount that was previously capped at the amount for two children. Second, the act extended the phase-out point for married tax filers, hence reducing the "marriage penalty" whereby two-adult

households received lower credits than they would as two unmarried filers. Congress extended these measures temporarily in the 2012 tax bill and then permanently in the 2015 tax bill.

CTC and ACTC

Established in 1997 as a nonrefundable \$400 per child credit intended to offset the cost of childrearing for middle-income households, the Child Tax Credit has grown in size and scope over time (Crandall-Hollick, 2018). Tax bills in the aughts temporarily increased the credit to \$1000 per child and added a refundable portion known as the Additional Child Tax Credit (ACTC), which as of phased in at a rate of 10 or 15% above a threshold originally set at \$10,000, thereby excluding households with the lowest earnings. In 2009, the ARRA lowered the refundability threshold to \$3,000 temporarily; reforms in 2010, 2012, and 2015 extended and ultimately made permanent both the \$1,000 per child credit and the lower refundability threshold. The 2017 tax reform doubled the non-refundable portion to \$2,000 per child and increased the ACTC to \$1,400. However, other provisions in the 2017 reform, including the elimination of the personal exemption for dependents, largely offset the value of this CTC increase for many families (Maag, 2019).

Unemployment Insurance

Unemployment insurance is a federal-state social insurance program providing wage replacement for workers who lose their jobs. The UI system also buttresses consumer consumption and functions as an economic stimulus tool during economic downturns. In response to the Great Recession and its lingering aftermath, the federal government made several policy changes to Unemployment Insurance. Congress passed the Emergency Unemployment

Compensation (EUC) program in July 2008 to extend UI benefits up to 53 weeks to those who had exhausted their regular 26-week UI benefits. Congress amended the EUC08 program 11 times after its passage, including a final benefit extension to the end of 2013 under the Middle Class Tax Relief and Job Creation Action (MCTRJCA) of 2012 (Congressional Research Service 2014). The ARRA strengthened UI programs in several ways. First, it provided an additional \$25 weekly benefit on the top of regular UI benefits. Second, it fully financed the state-level Extended Benefit (EB) program, which was triggered when a state's unemployment rate reached certain high levels. The EB program provides an additional 13 or 20 weeks of benefits to unemployed workers who have exhausted their regular UI benefits and EUC benefits, making a maximum of 99 weeks of UI benefits available to unemployed workers. In addition, the ARRA temporarily waived interest payments on state UI loans. Lastly, as part of the ARRA, the Unemployment Insurance Modernization Act (UIMA) provided a \$7 billion incentive funding for states to reform their UI programs by August 2011, aiming to include more low-wage or disadvantaged workers into the UI system and provide more adequate benefits for unemployed workers. To receive the first one-third of the allocated incentive funding from the federal government, a state must adopt an alternative base period (ABP) method which is more likely to qualify low-wage or low-skilled workers than a standard base period method does. To receive the remaining two-thirds of the allocated incentive funding, a state must adopt two out of the following four provisions: allowing UI claimants searching for part-time jobs, providing extended benefits for UI claimants in training programs, providing an additional allowance for UI claimants with dependents, and allowing family reasons (i.e., domestic violence, spousal relocation, and taking care of sick family members) for leaving work.

Trends in Program Outcomes

What happened when these evolutions in program design and implementation combined with low- and moderate-income Americans' demand for safety net programs over the Great Expansion? In this section, we track three broad outcomes that reveal different dimensions of our focal programs' performance over the period 2009-2019. Figure 1 shows these indicators, which extend the first two authors' prior work (Chang and Romich 2021). First, overall caseload trends show the number of persons who used each program, either as an average monthly case count or annually in the case of tax credits. Next caseload divided by the approximate number of eligible persons to give an indication of how much of the target population the program actually reached. This is similar to the program inclusiveness measure used by Sarah Bruch and colleagues (Bruch, Gornick, and Meyers 2018). For instance, for TANF we calculate inclusiveness by dividing caseload by the number of families with children under 18 below 100% of the poverty line. We do not include the CTC and ACTC in the inclusiveness analysis.¹ Finally, the third panel shows the changes in inflation-adjusted average benefit amount over time as measured by total expenditure divided by caseload. All figures are presented as percentage change from 2009. The appendix details our calculations calculated based on administrative and Census data; Appendix Tables A1-A3 contain the underlying data.

FIGURE 1 ABOUT HERE

¹ The data sources used to estimate "potential eligible" households for other programs do not cleanly yield parallel approximations for the CTC and ACTC. For instance, for the EITC our "potentially eligible" group was households with workers and income <200%FPL, most of whom were likely eligible for the credit. Because the CTC reaches high into the income distribution and the ACTC has the eligibility threshold of \$3,000, approximating potential claimants using IPUMS or similar publicly available data was not feasible.

Overall, Figure 1 illustrates the net impact of the policy changes described above. TANF trends show a continuation of patterns observed since the 1990s namely decreases in caseloads and benefit amounts. After staying fairly consistent through 2012, TANF caseloads then dropped every year. By 2019, 40% fewer households received TANF cash assistance as had in 2009, just under 1.1 million relative to 1.8 million a decade earlier. Panel B shows that much of this caseload drop was likely due to decreased demand as the ratio of TANF recipients to potentially eligible households only edged down slightly. While ARRA funding buoyed average TANF grants in 2010, average benefit amounts then dropped, ending the decade about 10% lower in nominal terms than in 2009. These national average trends mask considerable state-to-state variation, which we discuss below.

Trends in SNAP program use, reach, and generosity show its expansion and then contraction over the recovery. In 2009, the SNAP caseload included just under 7.5 million households with children. Consistent with the lagged effect of the recession on poverty and the temporary expansions under ARRA, the caseload grew rapidly, to 9 million families in 2010 and peaking at 10.2 million families in 2013. Although the ARRA increase ended in 2013, total caseloads remained well above pre-recession levels, falling only to 8.1 million in 2018. Comparing caseload rates to the percentage of families at or below 130% of the federal poverty line shows that the program reached more of the potentially eligible households. In 2009, the caseload count was only 71% of the number of families below 130% of poverty; by 2018, (the most recent year for which data is available), this ratio was above 1. As a result, the ratio of caseload to potentially SNAP-eligible households increased most years over the decade and at the last (pre-pandemic) count, remains over 40 percent higher than in 2009. This expansion in

program reach occurred alongside a steady decrease in average benefit amount, likely because newly eligible households had higher incomes and hence qualified for lower benefit amounts. As shown in panel C, the average spending per SNAP household dropped over twenty percent over the expansion. As Ziliak (this volume) shows, food insecurity also trended downward over this period, signaling true lower need for food assistance.

EITC program trends showed less variation than the other focal programs. Claimants included just over 27 million tax filers in 2009 and never exceeded 29 million filers over the subsequent decade. Our proxy for the number of potentially eligible claimants - workers from households with family income below 200% of the federal poverty line - dropped over this period, making the ratio of claimants to potentially eligible population grow by 15.7% by 2018. Finally, the average EITC amount remained very stable, reflecting the automatic inflation adjustment of the benefit and the continuation of the ARRA changes, which started in 2009. As with the EITC, the CTC and ATC show stable if slowly declining numbers of claimants and average benefit amounts from 2009 through 2017. This likely reflects the gradual increases in household earnings over the course of the recovery. The 2017 tax reform increased CTC and ACTC benefit amounts and made more families eligible, leading to the steep increases in the number of claimants and average benefit amounts between 2017 and 2018. Note that we do not calculate the inclusiveness for the CTC and ACTC, as our data sources do not provide unambiguous estimates for potentially eligible households.

Finally, as anticipated in a recovery when employment increased year-on-year (Groshen & Holzer, this volume), UI caseloads dropped steadily, ending 2019 with 62 percent fewer claimants than in 2009. However, as shown in Panel B, this caseload drop reflects both a drop in need as well as a drop in the recipiency rate. Thanks to the ARRA expansions, the percentage of

all unemployed persons who received UI benefits was higher than normal - but still only 40% in 2009. This rate then declined 35.6% between 2009 and 2013 before inching back up slightly over the remaining period. In 2019, only 28% of unemployed persons received unemployment benefits. Average UI benefit amounts dipped over the period 2009-2014, likely reflecting reemployment among higher earners. By 2019, average benefit amounts were almost identical to 2009.

Select State-level Program Variations

The national data presented in Figure 1 focuses on descriptive changes in caseload dynamics and average benefits among our selected programs over the expansion period. Factors associated with these changes, particularly those in caseload dynamics are complex, as are family circumstances that drive program participation. Recent research sheds light on not only changes in program participation for individual programs but also the packaging of such provisions by lower-income families. Hardy and colleagues (2018) examined shifts in program participation in *liquid* public provisions, the EITC, SNAP, and ACTC, among diverse family groups (low-income, less-educated, and single mother families) between 1981 and 2013 relative to state-level policy changes, family structure, and macroeconomic factors such as stagnant wage growth and employment among low-income workers. Overall, they found that in the pre-2000 period, macroeconomic effects were the primary driver of program participation in income support programs across all diverse family groups. These findings suggest access and use of means-tested cash supports remain critical to supporting lower-income families in the near and long-term.

While our descriptive analysis is useful in understanding nation-wide program coverage and benefits, these analyses mask considerable state-to-state variation in our highly federalized

safety net (Chang, 2020). For example, in the 4th quarter of 2019, the UI reciprocity rates varied from 56.8% in Massachusetts to 9.2% in Mississippi; the average weekly UI benefits ranged from \$101 in Oklahoma to \$531 in Massachusetts (U.S. Department of Labor, 2020). Moreover, caseload dynamics and average benefits do not reveal other ways in which safety net programs may expand or contract participation via other means, such as enhancing or reducing administrative burdens (Herd and Moynihan 2019). In short, administrative burdens are the learning (knowing and understanding a particular program), psychological (associated program stigma), and compliance costs (submission of required documents) of program participation that are passed on to program applicants and participants (Herd and Moynihan 2019). Such burdens are less visible but may substantially affect program reach and enrollment.

To this end, we present trends in facets of administrative burden that might affect program participation by enhancing or contracting administrative burdens that likely affect program take-up. Robustly examining the complexity of administrative burdens in our selected programs is beyond the scope of this article. However, strategic examples from two state administered programs, TANF and state-level EITC programs, as reflected in Figure 2, are instructive in highlighting changes or continuity in state-level program designs.

State EITCs are associated with increased take-up of the federal EITC, suggesting state EITCs not only enhance tax benefits for families but also reduce learning costs of the federal EITC program (Neumark and Williams 2020). Figure 2, B illustrates the number of state-funded EITC programs and the number of those states with refundable EITCs. The number of states with EITCs increased from twenty-three in 2009 to twenty-eight by 2019 including Ohio and Colorado. Among EITC states, the number with refundable provisions increased by only one, from twenty-one in 2009 to twenty-two in 2019. State EITCs' median percent of the federal

EITC rose from 15 percent in 2009 to 19 percent in 2019. In addition to state EITCs, six states that have their own CTC (California, Colorado, Idaho, New York, North Carolina, and Oklahoma) although only two of these states (Colorado and New York) have refundable CTC credits (Tax Credits for Working Families, 2019). Nonetheless, state-level CTC provisions may work similarly to state-level EITC benefits in improving federal-level program take-up, offsetting tax burdens, and bolstering family income (when refundable) making it a worthwhile consideration for state-level expansion.

For TANF we examine the number of required documents (submission of child/ren's school attendance, child/ren's grades, child/ren's immunization records, and a health screening) prior to program enrollment as a form of administrative burden compliance costs. We assigned a value of "1" for each of the four document requirements if they were in place for each year for each state (range 0-4) and categorize the number of states with 0, 1-2, or 3-4 on our TANF administrative documentation measure, across years 2009-2018². Overall, trends in TANF documentation burden was relatively stable; states with no documentation burden decreasing from fourteen in 2009 to twelve by 2018; states with one or two documentation burdens increasing from thirty to thirty-four; and states with three to four documentation burdens decreasing from nine in 2009 to eight in 2018. These trends suggest that in some instances states have increased and/or decreased TANF documentation burdens although the number of states with any TANF documentation burdens remained relatively stable during the expansion period.

Summary and Discussion

² 2018 is currently the last available data for TANF rules and requirements through the Welfare Rules Database, Urban Institute.

This analysis of changes to the policies and performance of major income support programs for the working class largely reveals a continuity of policy trends in place before the Great Recession. The safety net that expanded during the recession then contracted (Chang and Romich 2021) via the tightening of eligibility rules and expiration of most temporary expansions. TANF caseloads largely continued their two decades of decline. SNAP played a strong countercyclical role with the greatest expansion in caseloads followed by a steady decline. UI caseloads - which include higher earning workers alongside low- and moderate-earners - fell steadily as well. Originally designed to exclude many workers of color, UI has always failed to cover many lower-wage workers (Rodems and Shaefer 2016), a trend that continued over the last decade. Of the ARRA measures that made income supports more generous, only the changes to the tax credits (EITC, CTC, and ACTC) were made permanent. The expansions of these work subsidies align with the now decades-long trend of social welfare policy reinforcing or enforcing labor force participation.

By focusing on only a handful of major federally established programs, this review does not capture some interesting state and local innovations that hold promise in benefiting the working class. States, counties, and cities have instituted labor standards mandates to raise wages, require or provide paid sick or family leave, and protect workers from destabilizing work schedules (Henly and Lambert, this volume). Unconditional cash transfer and basic income pilots are underway in several cities nationwide, including a randomized control trial of a \$500 monthly grant in Stockton, California (Gennetian, Nyandoro, Baker, and Martin-West 2020). If expanded nationwide, such efforts could substantially alter the need for and nature of income support for workers and their households.

Implications for Pandemic Recession and Recovery

The continuity of pre-Great Recession trends over the Long Recovery stands in contrast to some of the immediate policy responses to the Covid-19 Pandemic Recession. Had the long expansion ended with a standard recession stemming from shocks in one or a few economic sectors, we would have predicted a similar safety net response as the one we observed during and after the Great Recession. Instead, employment and output dropped sharply as the Covid-19 pandemic grew. As of this writing (March 2021), the responses in the first year of the Pandemic Recession include several important expansions to safety net programs.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of March 2020 and related efforts expanded UI and SNAP. Notably, the CARES Act addressed longstanding concerns about the UI program, including extending eligibility to gig workers and temporarily increasing weekly benefits. SNAP continues to be the most dependable workhorse for limiting hardship and providing (limited) stimulus; the CARES Act allowed states to provide maximum SNAP benefits to all qualifying households, an option that all states took up. Benefits from UI and SNAP comprised the largest response, but still did not meet the needs of many households (Moffitt and Ziliak 2020). In contrast, the remains of the TANF program do not provide an effective infrastructure for response as so few families are connected to the program and states have redirected funding especially to childcare.

Because the EITC, CTC, and ACTC are delivered through the federal income tax in the first or second quarter of the year, they do not have the agility to quickly respond to increasing hardship. However, as lump sum payments, these credits constitute important parts of low- and moderate-income families' financial well-being. Earnings disruptions in 2020 may have changed households' eligibility for the credit. The lowest earning households may have received less in

credit were it not for provisions of the Taxpayer Certainty and Disaster Tax Relief Act of 2020. This law, passed in December 2020, allowed households to claim the EITC and ACTC based on their 2019 income if it was higher than their 2020 income. On the other hand, households with pre-pandemic earnings that placed them in or above the phase-out bracket for the EITC likely became newly eligible.

The American Rescue Plan (ARP), the first stimulus package of the Biden administration included a substantial CTC increase to \$3000 or \$3600 per child and introduced a monthly delivery model. Qualifying families will receive \$300 per month, per child for children between the ages of 0-6 and \$250 per month per child for children between the ages of 6 and 17 years of age. We view these proposed reforms to the CTC as a de facto child allowance program that has great promise to reduce child poverty by up to half and substantially contribute to family socioeconomic well-being (Parolin, Collyer, Curran, & Wimer, 2021). The ARP also increased the EITC for workers without dependents and extended eligibility to younger and older workers previously excluded. Together, these efforts address a number of policy watchers' long-standing recommendations.

In the meantime, the Biden administration might consider changes to income support programs that may be implemented via executive order rather than legislative pathways. For instance, reducing administrative burdens in safety net programs may provide an avenue to improving program take-up without the need for legislative mandates. Recent research highlights the movement of state TANF spending away from basic cash assistance to other provisions. Fusaro (2020) finds that states that spend less of their TANF block grant on basic cash assistance are also states with significantly higher rates of racial animus among whites calling into question that ability of states to objectively determine TANF spending. Therefore, another change the

Biden administration might consider is to put tighter federal restrictions in how TANF dollars can be spent—namely incentivizing spending on basic cash assistance.

Whether the Biden Administration and Congress will continue the present pattern of expanding income support remains to be seen. The ARP passed on a narrow partisan vote, and its CTC and EITC provisions extend only one year, meaning further policy battles remain ahead.

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FIGURE 1
Program Outcomes, 2009-2019
 (All panels show change relative to 2009)

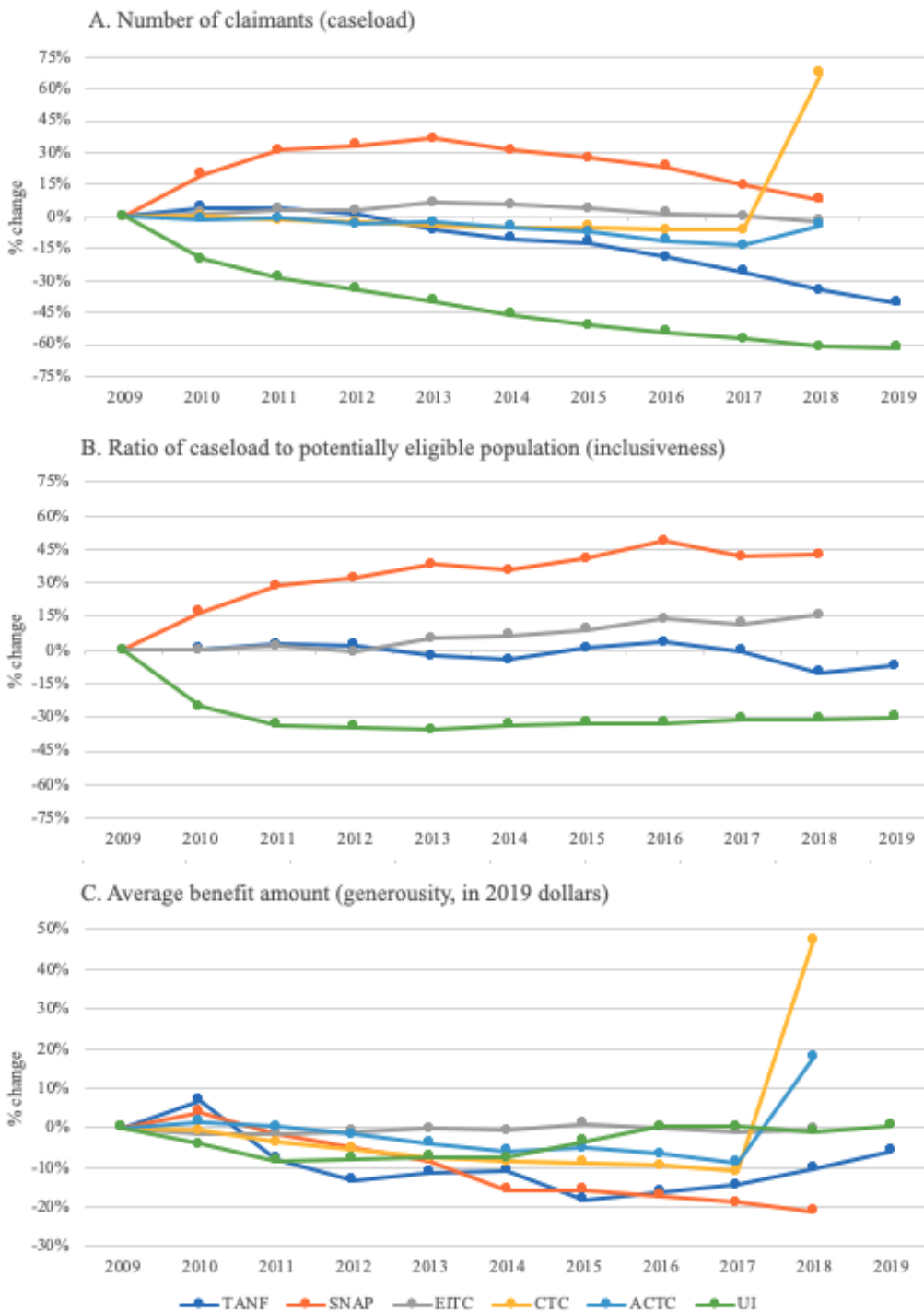
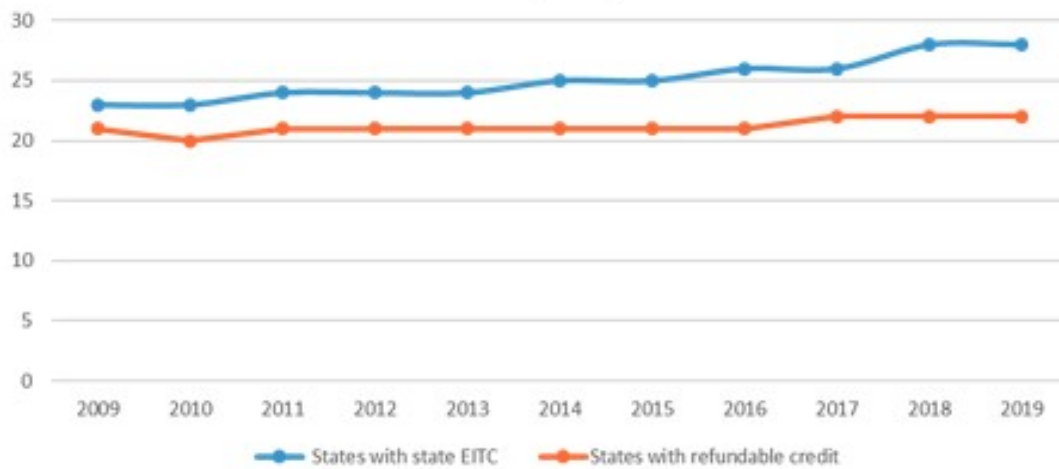


FIGURE 2. Selected state changes

A. State EITC Programs, 2009-2019



B. TANF Documentation Burden, 2009-2018

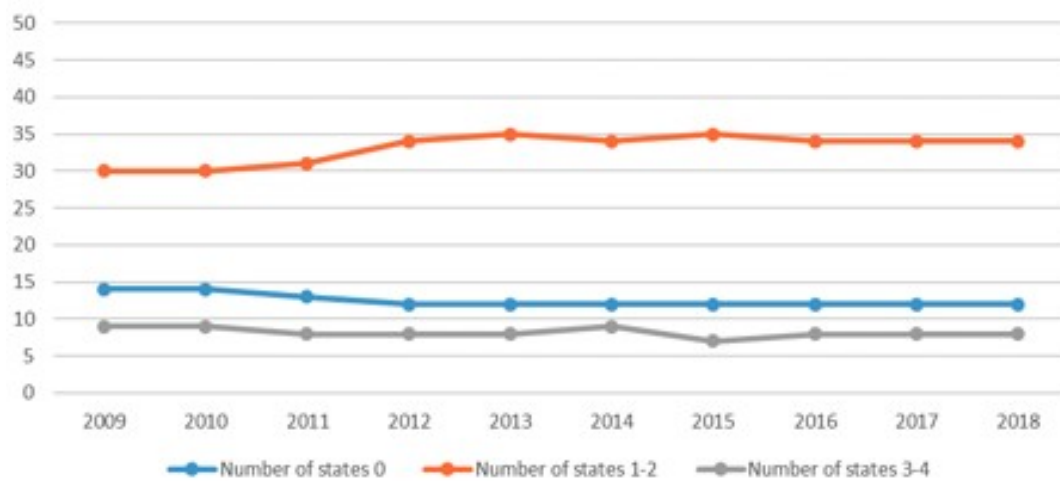


Table A1. Caseload: Number and Change Relative to 2009

year	TANF		SNAP		EITC		CTC		ACTC		UI	
	number	change	number	change	number	change	number	change	number	change	number	change
2009	1838169	-	7475519	-	27041498	-	23563012	-	21290682	-	7401887	-
2010	1917943	4.34%	8945703	19.67%	27367757	1.21%	23579773	0.07%	20979862	-1.46%	5906135	-20.21%
2011	1907794	3.79%	9798213	31.07%	27911726	3.22%	23136250	-1.81%	21151049	-0.66%	5281607	-28.65%
2012	1852628	0.79%	9986838	33.59%	27848264	2.98%	22889677	-2.86%	20533173	-3.56%	4872241	-34.18%
2013	1725649	-6.12%	10215296	36.65%	28821785	6.58%	22563277	-4.24%	20727634	-2.64%	4473943	-39.56%
2014	1649906	-10.24%	9786020	30.91%	28537908	5.53%	22394927	-4.96%	20225421	-5.00%	4002235	-45.93%
2015	1614216	-12.18%	9519111	27.34%	28081708	3.85%	22376889	-5.03%	19705356	-7.45%	3608467	-51.25%
2016	1487712	-19.07%	9228219	23.45%	27382904	1.26%	22096901	-6.22%	18921435	-11.13%	3394980	-54.13%
2017	1361686	-25.92%	8588949	14.89%	27030382	-0.04%	22075218	-6.31%	18341984	-13.85%	3152217	-57.41%
2018	1202730	-34.57%	8056891	7.78%	28802666	-2.03%	39377143	67.11%	20450468	-3.95%	2877467	-61.13%
2019	1096594	-40.34%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	2839841	-61.63%

Table A2. Caseload to Potentially Eligible Population: Ratio and Change Relative to 2009

year	TANF		SNAP		EITC		UI	
	ratio	change	ratio	change	ratio	change	ratio	change
2009	0.22	-	0.71	-	0.81	-	0.40	-
2010	0.22	0.57%	0.83	16.70%	0.81	-0.04%	0.30	-25.08%
2011	0.23	2.77%	0.92	28.56%	0.82	1.79%	0.27	-33.60%
2012	0.23	2.06%	0.94	32.18%	0.80	-0.79%	0.26	-34.16%
2013	0.22	-2.50%	0.99	38.35%	0.85	5.12%	0.26	-35.59%
2014	0.21	-4.32%	0.97	35.71%	0.86	6.62%	0.27	-33.29%
2015	0.22	0.65%	1.00	40.58%	0.89	9.29%	0.27	-32.67%
2016	0.23	3.44%	1.06	48.58%	0.92	13.83%	0.27	-32.61%
2017	0.22	-0.32%	1.01	41.57%	0.90	11.69%	0.28	-30.74%
2018	0.20	-9.92%	1.02	42.67%	0.94	15.69%	0.28	-30.93%
2019	0.21	-7.03%	N.A.	N.A.	N.A.	N.A.	0.28	-30.18%

Note: We do not calculate potentially eligible populations for the CTC or ACTC.

Table A3. Average Benefit Amount (in 2019 Dollars) and Change Relative to 2009

year	TANF		SNAP		EITC		CTC		ACTC		UI	
	dollar	change	dollar	change	dollar	change	dollar	change	dollar	change	dollar	change
2009	6178	-	4000	-	2607	-	1435	-	1537	-	367	-
2010	6608	6.95%	4156	3.90%	2568	-1.49%	1426	-0.61%	1561	1.56%	352	-4.07%
2011	5699	-7.76%	3935	-1.63%	2569	-1.44%	1384	-3.56%	1541	0.24%	337	-8.24%
2012	5361	-13.22%	3791	-5.23%	2579	-1.07%	1357	-5.47%	1512	-1.64%	339	-7.72%
2013	5489	-11.16%	3670	-8.27%	2598	-0.33%	1328	-7.49%	1478	-3.82%	340	-7.33%
2014	5517	-10.71%	3368	-15.80%	2586	-0.79%	1312	-8.59%	1445	-5.98%	340	-7.50%
2015	5060	-18.11%	3374	-15.66%	2635	1.09%	1308	-8.86%	1457	-5.18%	355	-3.29%
2016	5184	-16.10%	3310	-17.26%	2607	0.01%	1298	-9.57%	1435	-6.65%	368	0.32%
2017	5280	-14.54%	3248	-18.81%	2581	-0.99%	1278	-10.92%	1403	-8.73%	368	0.34%
2018	5540	-10.34%	3154	-21.15%	2594	-0.49%	2111	47.10%	1807	17.58%	363	-1.07%
2019	5811	-5.95%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	369	0.44%