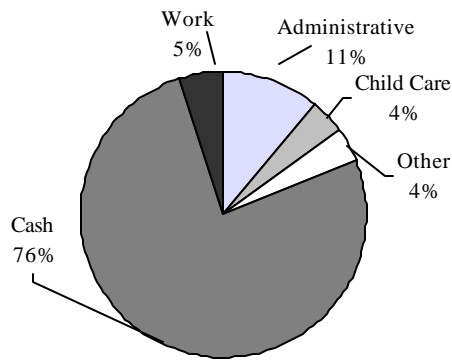


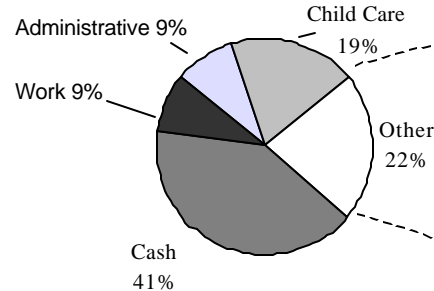


Fast Facts on Welfare Policy

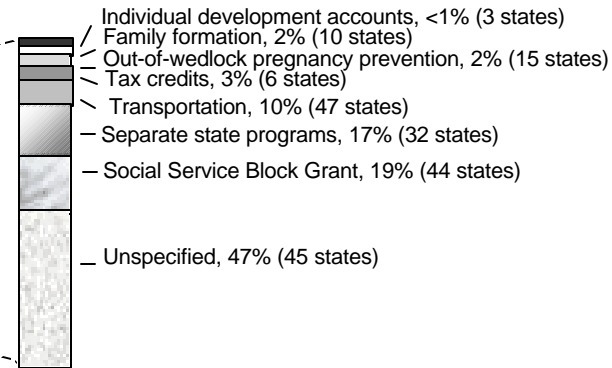
Distribution of Federal and State Welfare Spending, 1996 and 2000 (in 2000 dollars)



1996 (\$32.4 billion)



2000 (\$26.4 billion)



Source: 1996 data collected from federal sources on individual spending on programs replaced by TANF; 2000 data from the Administration for Children and Families; chart appears in Zedlewski, Sheila R., David Merriman, Sarah Staveteig, and Kenneth Finegold. 2002. "TANF Funding and Spending Across the States." In *Welfare Reform: The Next Act* edited by Alan Weil and Kenneth Finegold (225-246). Washington, D.C.: Urban Institute Press.

Welfare reform gave states flexibility to shift spending from cash assistance to other uses. As the chart shows, in 2000, only 41 percent of TANF spending went toward paying cash benefits, down from 76 percent in 1996. Almost 30 percent of TANF funds were going to child care and work activities in 2000, up from just 9 percent four years earlier. States also used TANF dollars to fund a variety of other work-support programs, including transportation, state tax credits for low-income families, and programs to promote marriage or reduce nonmarital pregnancies.