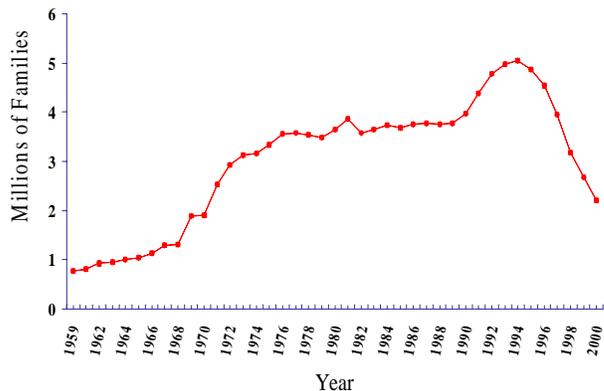


Figure 1  
Welfare Reform is Working

Welfare Rolls Decline Sharply



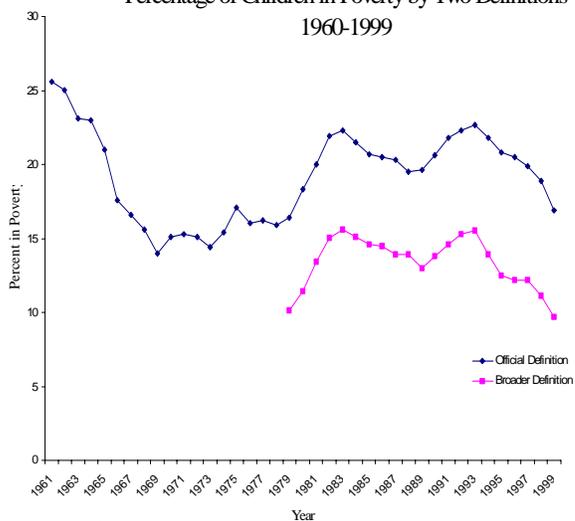
Source: Department of Health and Human Services

Employment by Single and Never-Married Mothers Increases Dramatically



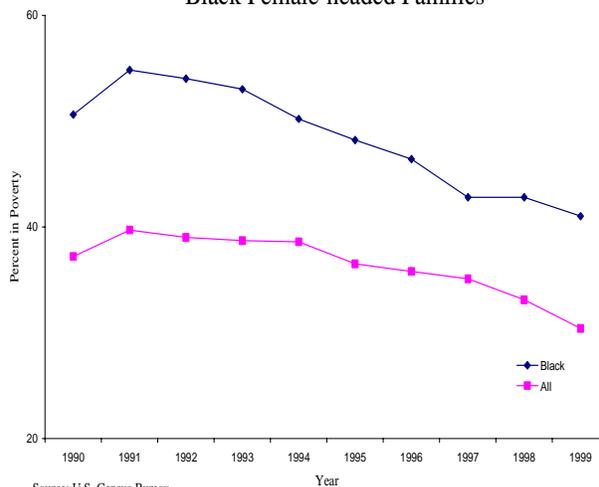
Source: Gary Burtless, Brookings

Percentage of Children in Poverty by Two Definitions 1960-1999



Source: U.S. Census Bureau

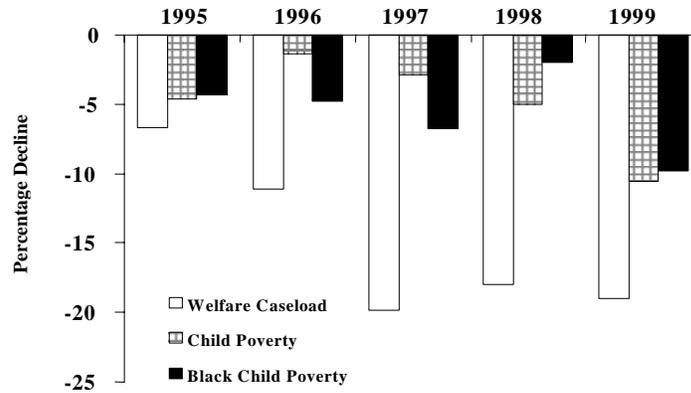
Poverty Rate Declines Among All and Black Female-headed Families



Source: U.S. Census Bureau

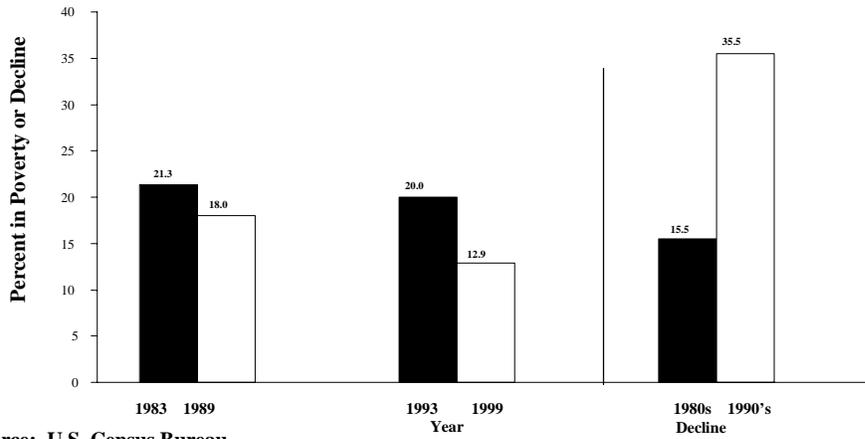
Figure 2  
Poverty is Declining

**Welfare Caseloads and Children's Poverty Decline Simultaneously, 1995-1999**



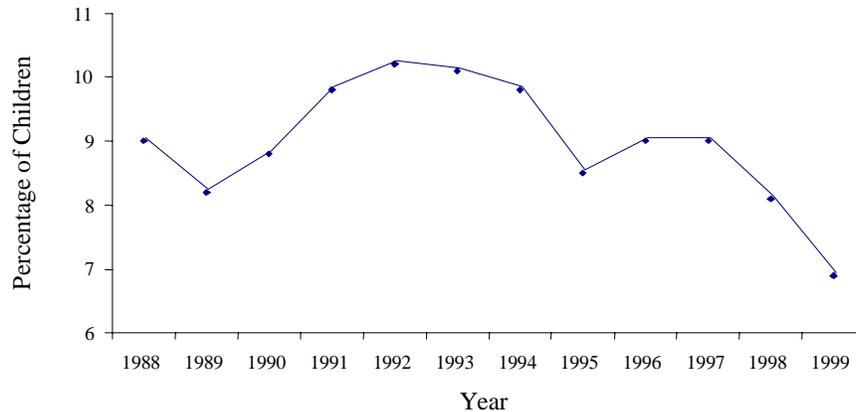
Source: Caseload Data from Congressional Research Service; Poverty data from Census Bureau

**Decline in Children's Poverty by Broad Definition, 1983-89 and 1993-99**



Source: U.S. Census Bureau

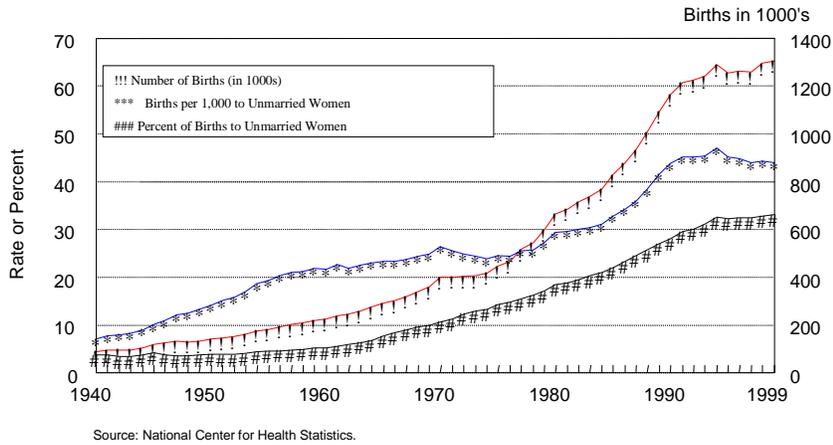
**Percentage of Children in Deep Poverty, 1988-1999**



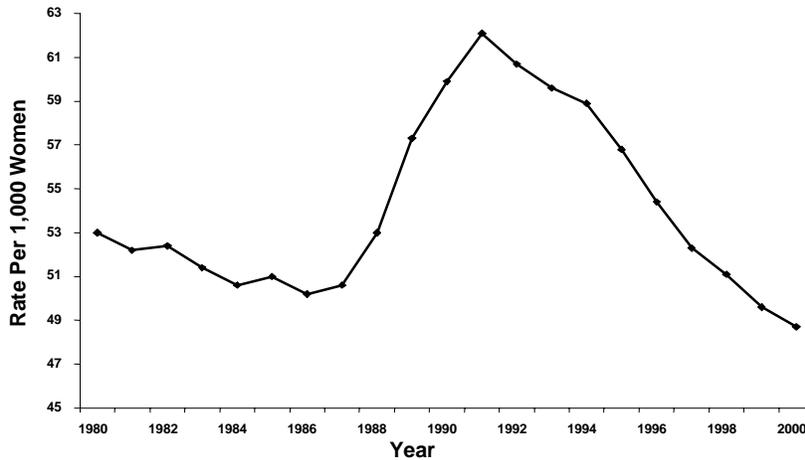
Source: U.S. Census Bureau

Figure 3  
Measures of Non-Marital Births are Leveling Off or Declining

Number of Births, Birthrate, and Percent of Births to Unmarried Women: United States, 1940-99



Teen Birthrate, 1980-2000



Percentage of Young Children With Their Married Mothers Increases After 1995

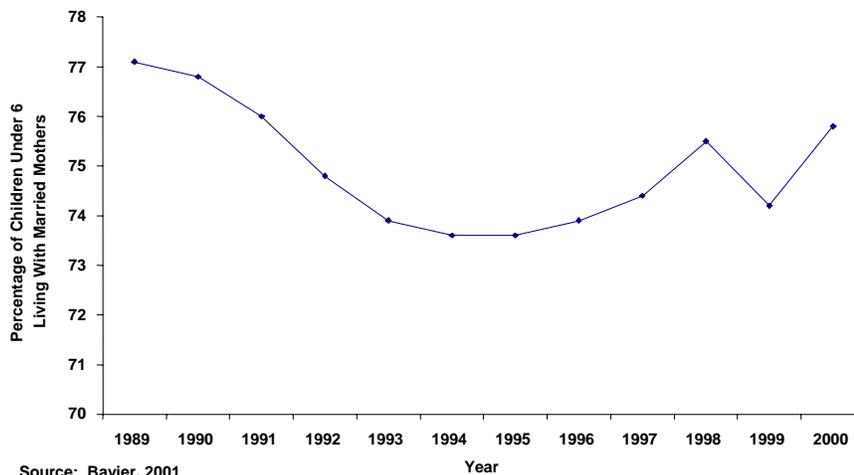


Figure 4  
Federal Programs that Support Low-Income Working Families

Program	Summary
Child Care	There are numerous child care programs that provide care to children while mothers work. These include the Child Care and Development Block grant, Head Start, Title XX, the Child and Adult Care Food program, and two tax credit programs. Between 1993 and 2001, the funds available through these programs grew from about \$9.5 billion to \$20 billion.
Medicaid	A federal-state health insurance program for poor and low-income families; most states provide coverage to children of working families up to about 200 percent of the poverty level (almost \$29,000 for a family of three), although coverage for parents ends at much lower income levels
State Child Health Insurance Program (SCHIP)	The program offers federal matching funds for states and territories to provide health insurance coverage to uninsured, low-income children from families whose annual incomes are higher than Medicaid eligibility thresholds. By 2000 enrollment in the SCHIP program reached 3.3 million children
Food Stamps & Child Nutrition	Food Stamps is a federally-financed, state-administered program that provides low-income families with either coupons or an electronic debit card that can be used to purchase food; a mother earning around \$10,000 qualifies for about \$2,000 in food stamp benefits; other child nutrition programs include the school lunch program and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).
Earned Income Tax Credit	A refundable tax credit that provides a cash income supplement of up to \$4,000 for working families with incomes of less than about \$30,000; the maximum benefit for a mother with two children and earnings of about \$10,000 is \$4,000
Child Tax Credit	When fully implemented, families will receive a \$1,000 credit per child against their federal income taxes. The credit will be refundable for families earning over \$10,000 but with little or no tax liability
Housing	A series of programs that provide federal subsidies for rent or home purchase, or direct provision of housing in housing facilities owned by government