

Supplementary Materials to "A Dynamic Model of Welfare Reform"
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 Additional Tables and Figures

TABLE AI

ESTIMATION RESULTS: 92, 93 PANEL WAVE 1 CROSS-SECTIONAL MODEL

	Work (ϕ_H)	Welfare & FS (ϕ_{AF})	FS only (ϕ_F)	Log wage ^a	Job offer (ϕ_J) ^a
Intercept	-13.49 (301.06)	26.88 (124.28)	-41.65 (103.64)	5.06 (0.23) ***	-0.78 (0.83)
White	-22.12 (69.71)	-131.65 (36.92) ***	-69.83 (33.27) **	0.67 (0.39) *	3.56 (2.00) *
Mother's age	-2.55 (6.46)	-7.92 (3.14) **	-4.05 (2.86)	0.13 (0.03) ***	0.29 (0.15) *
Grade 12 or higher	-17.62 (100.70)	-65.09 (35.78) *	-42.54 (35.81)	2.96 (0.63) ***	15.81 (2.30) ***
South residence	22.78 (73.92)	26.80 (35.24)	-0.02 (31.79)	-0.24 (0.40)	3.69 (2.09) *
Number of kids	-91.66 (62.21)	28.59 (29.20)	20.03 (23.06)		
Age of youngest kid	34.97 (14.82) **	0.37 (4.28)	-1.77 (4.14)		
Welfare admin cost		-0.01 (0.04)			
Metro area residence				1.37 (0.40) ***	-1.63 (1.96)
Local average wage (\$100)				0.71 (0.27) ***	
Service industry share (10%)				0.27 (0.53)	
Unemployment rate					1.30 (0.97)
Unemployment rate (-3 mon)					-1.11 (0.89)
Unemployment rate (-6 mon)					-1.81 (0.95) *
Other preference parameters:					
FT work (ϕ_3)	-230.51 (26.18) ***				
PT work, welfare & FS (ϕ_5)	-79.13 (80.24)				
PT work, FS only (ϕ_7)	-88.39 (52.13) *				
FT work, FS only (ϕ_8)	-108.66 (68.55)				
Quadratic term ^b	-1.47 (0.20) ***				
Standard deviations of errors:					
Choice ($\sigma_c\pi/\text{sqrt}(6)$)	173.66 (32.2) ***				
Log wage	0.40 (0.01) ***				
		Parameters	46		
		Sample size	1184		
		Log likelihood	-2128		

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AII

ESTIMATION RESULTS: 92, 93 PANEL WAVE 1 CROSS-SECTIONAL MODEL,
NO JOB OFFER EQUATION

	Work (ϕ_H)	Welfare & FS (ϕ_{AF})	FS only (ϕ_F)	Log wage ^a
Intercept	-274.33 (124.17) **	204.36 (175.02)	-44.87 (134.13)	5.19 (0.21) ***
White	-26.20 (35.94)	-182.72 (51.86) ***	-92.41 (44.39) **	0.75 (0.35) **
Mother's age	-6.42 (3.39) *	-11.98 (4.39) ***	-5.01 (3.78)	0.12 (0.02) ***
Grade 12 or higher	142.32 (56.63) **	-78.88 (48.30)	-30.98 (47.45)	3.77 (0.57) ***
South residence	57.94 (37.86)	23.72 (45.70)	10.94 (42.72)	-0.31 (0.36)
Number of kids	41.48 (24.66) *	64.44 (40.09)	50.47 (32.23)	
Age of youngest kid	10.57 (5.54) *	-0.79 (5.70)	-2.34 (5.50)	
Welfare admin cost		0.03 (0.05)		
Metro area residence				1.31 (0.38) ***
Local average wage (\$100)				0.38 (0.24)
Service industry share (10%)				0.00 (0.47)
Unemployment rate	30.62 (16.75) *			
Unemployment rate (-3 mon)	-17.52 (15.17)			
Unemployment rate (-6 mon)	-37.71 (17.11) **			

Other preference parameters:

FT work (ϕ_3)	-188.46 (37.39) ***
PT work, welfare & FS (ϕ_5)	-216.18 (118.67) *
PT work, FS only (ϕ_7)	-167.30 (75.51) **
FT work, FS only (ϕ_8)	-234.07 (101.29) **
Quadratic term ^b	-1.42 (0.25) ***

Standard deviations of errors:

Choice ($\sigma_c \pi / \text{sqrt}(6)$)	234.96 (47.8) ***
Log wage	0.41 (0.01) ***

Chi-sq (choice-year, df=15)	7.55	Parameters	40
Chi-sq (log wage, df=12)	99.99 ***	Sample size	1184
		Log likelihood	-2138

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AIII

ESTIMATION RESULTS: NO STATE DEPENDENCE

	Work (ϕ_H)		Welfare & FS (ϕ_{AF})		FS only (ϕ_F)		Log wage ^a		Job offer (ϕ_J) ^a	
Intercept	-441.79	(74.36) ***	79.98	(39.48) **	-59.24	(26.72) **	5.37	(0.02) ***	2.96	(0.13) ***
Lagged work dummy										
Lagged welfare dummy										
Lagged FS dummy										
White	-7.02	(19.90)	-262.39	(14.17) ***	-144.23	(9.42) ***	-0.16	(0.03) ***	1.24	(0.30) ***
Mother's age	12.67	(2.01) ***	-19.06	(1.16) ***	-9.88	(0.76) ***	0.08	(0.01) ***	-0.11	(0.02) ***
Grade 12 or higher	334.48	(28.00) ***	-263.51	(15.99) ***	-115.13	(9.88) ***	2.09	(0.04) ***	8.59	(0.36) ***
South residence	698.44	(57.01) ***	-168.17	(16.23) ***	77.72	(9.05) ***	-0.49	(0.03) ***	-2.49	(0.36) ***
Number of kids	-305.16	(22.39) ***	119.97	(11.61) ***	120.14	(9.70) ***				
Age of youngest kid	70.49	(5.59) ***	-27.08	(1.74) ***	-21.47	(1.42) ***				
Year 94/95	-149.02	(44.03) ***	44.94	(18.10) **	-16.34	(15.88)	0.37	(0.06) ***	1.54	(0.62) **
Year 96/97	-91.81	(34.07) ***	24.40	(15.47)	1.12	(12.36)	0.03	(0.05)	1.20	(0.56) **
Year 98/99	-136.54	(36.84) ***	-93.94	(19.30) ***	-46.75	(14.52) ***	0.65	(0.05) ***	4.96	(0.58) ***
Type 2 intercept	-344.60	(22.72) ***	-215.10	(23.26) ***	-832.65	(53.92) ***	0.51	(0.01) ***	0.91	(0.07) ***
Type 3 intercept	11.09	(34.66)	1101.73	(54.67) ***	356.04	(19.80) ***	-0.15	(0.01) ***	-3.57	(0.04) ***
Welfare admin cost			-0.11	(0.01) ***						
Welfare diversion			-96.64	(19.03) ***						
FS short recertification					-94.17	(24.97) ***				
FS EBT card					-1.09	(11.69)				
Metro area residence							0.68	(0.03) ***	-1.89	(0.35) ***
Local average wage (\$100)							0.59	(0.02) ***		
Service industry share (10%)							0.19	(0.04) ***		
Unemployment rate									-0.83	(0.34) **
Unemployment rate (-3 mon)									0.11	(0.39)
Unemployment rate (-6 mon)									-0.63	(0.32) **
Other preference parameters:			Work requirement sanction (non-exempt):							
FT work (ϕ_3)	-135.26	(10.67) ***			Lenient	-77.68	(31.63) **			
PT work, welfare & FS (ϕ_5)	269.63	(13.27) ***			Intermediate	180.84	(23.19) ***			
PT work, FS only (ϕ_7)	147.31	(12.06) ***			Stringent	208.18	(25.64) ***			
FT work, FS only (ϕ_8)	-35.80	(17.36) **								
Quadratic term ^b	-1.31	(0.04) ***			Type probabilities:					
					Type 2	0.28	(0.01)			
					Type 3	0.34	(0.01)			
Standard deviations of errors:					Parameters	79				
Choice ($\sigma_c\pi/\sqrt{6}$)	340.01	(16.4)			Sample size	22647				
Log wage	0.28	(0.01)			Log likelihood	-37017				
Chi-sq (choice-year, df=63)	752.68	***								
Chi-sq (log wage, df=12)	111.76	***								

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AIV

ESTIMATION RESULTS: MYOPIC (DISCOUNT FACTOR=0)

	Work (ϕ_H)		Welfare & FS (ϕ_{AF})		FS only (ϕ_F)		Log wage ^a		Job offer (ϕ_J) ^a	
Intercept	-495.67	(118.61) ***	-271.65	(115.31) **	-788.63	(99.79) ***	5.23	(0.02) ***	0.90	(0.44) **
Lagged work dummy	479.12	(81.08) ***					0.85	(0.09) ***	62.38	(2.39) ***
Lagged welfare dummy			1976.14	(184.20) ***						
Lagged FS dummy					1322.06	(125.43) ***				
White	-21.45	(27.55)	-233.89	(35.47) ***	-118.44	(26.28) ***	0.10	(0.03) ***	2.85	(0.95) ***
Mother's age	0.66	(2.32)	-9.92	(2.72) ***	-5.26	(2.04) ***	0.10	(0.01) ***	-0.16	(0.07) **
Grade 12 or higher	78.12	(35.40) **	-214.29	(41.61) ***	-143.23	(33.22) ***	3.43	(0.05) ***	6.72	(1.14) ***
South residence	32.10	(28.53)	-106.12	(42.73) **	75.85	(28.67) ***	0.30	(0.03) ***	0.06	(1.01)
Number of kids	4.81	(16.38)	24.41	(21.85)	61.59	(18.48) ***				
Age of youngest kid	2.75	(3.58)	-21.52	(5.36) ***	-19.43	(3.79) ***				
Year 94/95	26.93	(47.57)	15.73	(49.39)	-27.43	(41.33)	0.31	(0.06) ***	-2.10	(1.53)
Year 96/97	-23.34	(42.34)	-118.97	(51.59) **	2.62	(38.21)	0.11	(0.05) **	0.12	(1.50)
Year 98/99	-65.46	(42.25)	-219.42	(61.98) ***	31.59	(41.87)	0.64	(0.06) ***	-1.20	(1.52)
Type 2 intercept	52.02	(30.53) *	292.29	(54.84) ***	262.83	(39.12) ***	-0.40	(0.01) ***	-1.21	(0.13) ***
Type 3 intercept	73.24	(121.02)	-194.61	(51.09) ***	-361.29	(56.71) ***	0.44	(0.01) ***	-2.60	(0.17) ***
Welfare admin cost			0.00	(0.05)						
Welfare diversion			-65.46	(62.72)						
Any time limit			170.63	(70.60) **						
Benefit-reduction limit			109.54	(70.62)						
Any TL*tlhor ^c			-22.92	(7.69) ***						
FS short recertification					-9.73	(86.53)				
FS EBT card					39.99	(41.47)				
Metro area residence							0.70	(0.04) ***	-1.79	(1.07) *
Local average wage (\$100)							0.41	(0.02) ***		
Service industry share (10%)							0.43	(0.04) ***		
Unemployment rate									-2.11	(0.63) ***
Unemployment rate (-3 mon)									1.08	(0.60) *
Unemployment rate (-6 mon)									-0.07	(0.59)
Other preference parameters:			Work requirement sanction (non-exempt):							
FT work (ϕ_3)	-71.35	(25.56) ***	Lenient	200.85	(64.80) ***					
PT work, welfare & FS (ϕ_5)	-134.92	(53.54) **	Intermediate	237.00	(55.09) ***					
PT work, FS only (ϕ_7)	3.04	(28.51)	Stringent	203.83	(81.81) **					
FT work, FS only (ϕ_8)	-277.81	(52.83) ***	Type probabilities:							
Quadratic term ^b	-1.24	(0.06) ***	Type 2	0.30	(0.01) ***					
Standard deviations of errors:			Type 3	0.30	(0.01) ***					
Choice ($\sigma_c \pi / \sqrt{6}$)	449.22	(41.7) ***								
Log wage	0.24	(0.01) ***								
Chi-sq (choice-year, df=63)	462.09	***	Parameters	87						
Chi-sq (log wage, df=12)	146.01	***	Sample size	20437						
			Log likelihood	-27060						

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. (c) TLHOR = max (0, 18-age of youngest child - time limit length).

*Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AV

ESTIMATION RESULTS: NO WORK REQUIREMENTS

	Work (ϕ_H)		Welfare & FS (ϕ_{AF})		FS only (ϕ_F)		Log wage ^a		Job offer (ϕ_J) ^a	
Intercept	-378.36	(341.72)	-3607.09	(437.85) ***	-2469.18	(312.34) ***	5.18	(0.02) ***	-1.10	(0.26) ***
Lagged work dummy	-276.86	(312.78)					0.71	(0.08) ***	48.93	(0.55) ***
Lagged welfare dummy			4244.28	(574.47) ***						
Lagged FS dummy					2809.62	(382.42) ***				
White	-22.07	(45.93)	-167.26	(28.89) ***	-117.05	(25.56) ***	0.17	(0.03) ***	2.16	(0.63) ***
Mother's age	9.36	(3.87) **	-6.63	(2.05) ***	-4.57	(1.83) **	0.08	(0.01) ***	0.06	(0.04)
Grade 12 or higher	196.83	(61.92) ***	62.77	(26.02) **	6.78	(23.19)	0.94	(0.05) ***	8.06	(0.74) ***
South residence	80.20	(48.14) *	-13.52	(32.60)	18.24	(23.47)	0.35	(0.03) ***	1.41	(0.66) **
Number of kids	-103.11	(27.84) ***	-43.44	(15.20) ***	32.03	(17.74) *				
Age of youngest kid	2.55	(5.69)	-2.50	(3.14)	-14.73	(3.50) ***				
Year 94/95	342.57	(163.03) **	-10.61	(100.61)	-114.10	(92.49)	0.33	(0.06) ***	-1.49	(1.02)
Year 96/97	16.28	(68.46)	-24.03	(34.83)	-12.52	(32.70)	0.21	(0.05) ***	1.26	(0.96)
Year 98/99	337.03	(121.01) ***	-52.25	(49.08)	-37.76	(54.60)	0.76	(0.06) ***	0.12	(1.02)
Type 2 intercept	326.31	(450.21)	-443.40	(77.60) ***	-1002.95	(175.98) ***	0.83	(0.01) ***	-1.12	(0.14) ***
Type 3 intercept	553.60	(306.21) *	-199.76	(47.83) ***	-176.36	(38.78) ***	0.39	(0.01) ***	-1.24	(0.12) ***
Welfare admin cost			-0.04	(0.03)						
Welfare diversion			-9.45	(57.90)						
FS short recertification					-1.71	(80.46)				
FS EBT card					6.78	(40.48)				
Metro area residence							0.52	(0.04) ***	-0.62	(0.65)
Local average wage (\$100)							0.46	(0.02) ***		
Service industry share (10%)							0.36	(0.04) ***		
Unemployment rate									-1.23	(0.37) ***
Unemployment rate (-3 mon)									-0.24	(0.36)
Unemployment rate (-6 mon)									0.33	(0.35)
Other preference parameters:										
FT work (ϕ_3)	231.46	(77.76) ***								
PT work, welfare & FS (ϕ_5)	117.88	(48.78) **								
PT work, FS only (ϕ_7)	21.78	(39.17)								
FT work, FS only (ϕ_8)	-669.83	(126.59) ***								
Quadratic term ^b	-0.91	(0.14) ***								
Standard deviations of errors:										
Choice ($\sigma_c \pi / \sqrt{6}$)	945.65	(127.2) ***								
Log wage	0.24	(0.01) ***								
Work requirement sanction (non-exempt):										
Type probabilities:										
Type 2	0.22	(0.01) ***								
Type 3	0.45	(0.02) ***								
Parameters 81										
Sample size 20437										
Log likelihood -27170										

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AVI

ESTIMATION RESULTS: BROADEN FULL-TIME WORK DEFINITION

	Work (ϕ_H)		Welfare & FS (ϕ_{AF})		FS only (ϕ_F)		Log wage ^a		Job offer (ϕ_J) ^a	
Intercept	-773.69	(423.47) *	-3600.94	(442.30) ***	-2482.18	(317.62) ***	5.18	(0.02) ***	-1.22	(0.26) ***
Lagged work dummy	-571.64	(391.36)					0.68	(0.08) ***	49.52	(0.55) ***
Lagged welfare dummy			4142.27	(568.10) ***						
Lagged FS dummy					2779.28	(382.91) ***				
White	54.51	(48.22)	-149.21	(27.12) ***	-113.32	(25.05) ***	0.20	(0.03) ***	2.26	(0.64) ***
Mother's age	12.00	(4.07) ***	-5.93	(1.96) ***	-4.07	(1.75) **	0.08	(0.01) ***	0.07	(0.04) *
Grade 12 or higher	215.41	(67.75) ***	43.18	(24.12) *	0.00	(19.70)	0.98	(0.05) ***	7.76	(0.75) ***
South residence	105.87	(50.03) **	-10.81	(32.13)	16.98	(22.97)	0.34	(0.03) ***	1.44	(0.67) **
Number of kids	-67.40	(25.51) ***	-32.40	(15.53) **	31.93	(17.61) *				
Age of youngest kid	2.78	(5.53)	-1.73	(3.06)	-14.28	(3.42) ***				
Year 94/95	385.67	(166.70) **	-67.26	(98.97)	-146.51	(92.49)	0.33	(0.06) ***	-1.74	(1.01) *
Year 96/97	48.93	(73.06)	-35.87	(35.16)	-31.32	(32.25)	0.21	(0.05) ***	0.59	(0.96)
Year 98/99	161.47	(108.34)	-90.46	(55.35)	-72.69	(54.57)	0.78	(0.06) ***	0.03	(1.02)
Type 2 intercept	606.26	(546.69)	-334.01	(66.52) ***	-1173.74	(205.80) ***	0.82	(0.01) ***	-1.03	(0.14) ***
Type 3 intercept	844.92	(401.73) **	-163.99	(44.08) ***	-165.17	(37.60) ***	0.39	(0.01) ***	-1.18	(0.12) ***
Welfare admin cost			-0.04	(0.03)						
Welfare diversion			-32.24	(60.62)						
FS short recertification					13.62	(78.62)				
FS EBT card					12.93	(39.39)				
Metro area residence							0.49	(0.04) ***	-0.74	(0.62)
Local average wage (\$100)							0.46	(0.02) ***		
Service industry share (10%)							0.34	(0.04) ***		
Unemployment rate									-1.17	(0.36) ***
Unemployment rate (-3 mon)									-0.27	(0.35)
Unemployment rate (-6 mon)									0.34	(0.34)
Other preference parameters:										
FT work (ϕ_3)	817.32	(158.58) ***								
PT work, welfare & FS (ϕ_5)	635.43	(52.21) ***								
PT work, FS only (ϕ_7)	234.28	(40.35) ***								
FT work, FS only (ϕ_8)	-490.76	(103.94) ***								
Quadratic term ^b	-1.21	(0.12) ***								
Standard deviations of errors:										
Choice ($\sigma_c \pi / \sqrt{6}$)	926.66	(126.8) ***								
Log wage	0.24	(0.01) ***								
Work requirement sanction (non-exempt):										
Lenient	26.06	(107.80)								
Intermediate	159.01	(70.04) **								
Stringent	93.13	(98.79)								
Type probabilities:										
Type 2	0.22	(0.01) ***								
Type 3	0.45	(0.02) ***								
Parameters 84										
Sample size 20437										
Log likelihood -25352										

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AVII

ESTIMATION RESULTS: USE "EFFECTIVE" WELFARE TAX RATES

	Work (ϕ_H)	Welfare & FS (ϕ_{AF})	FS only (ϕ_F)	Log wage ^a	Job offer (ϕ_J) ^a
Intercept	-385.49 (349.15)	-3606.71 (436.36) ***	-2467.79 (310.82) ***	5.18 (0.02) ***	-1.08 (0.26) ***
Lagged work dummy	-281.14 (319.95)			0.70 (0.08) ***	49.32 (0.55) ***
Lagged welfare dummy		4241.64 (571.23) ***			
Lagged FS dummy			2813.00 (380.57) ***		
White	-11.79 (46.06)	-169.61 (28.84) ***	-120.12 (25.74) ***	0.17 (0.03) ***	2.16 (0.64) ***
Mother's age	8.29 (3.81) **	-6.56 (2.03) ***	-4.35 (1.82) **	0.08 (0.01) ***	0.06 (0.04)
Grade 12 or higher	199.29 (62.44) ***	48.39 (25.70) *	1.79 (23.28)	0.95 (0.05) ***	7.87 (0.75) ***
South residence	77.97 (47.91)	-2.97 (32.59)	18.72 (23.66)	0.35 (0.03) ***	1.40 (0.67) **
Number of kids	-97.59 (27.27) ***	-42.27 (15.34) ***	29.14 (17.58) *		
Age of youngest kid	2.91 (5.62)	-2.30 (3.15)	-15.35 (3.54) ***		
Year 94/95	344.97 (163.33) **	-11.69 (100.93)	-113.20 (92.78)	0.32 (0.06) ***	-1.67 (1.03)
Year 96/97	19.14 (68.90)	-28.96 (36.28)	-16.77 (33.06)	0.21 (0.05) ***	0.93 (0.97)
Year 98/99	326.75 (120.15) ***	-49.02 (55.48)	-43.81 (55.27)	0.76 (0.06) ***	-0.05 (1.03)
Type 2 intercept	335.67 (430.49)	-422.72 (75.88) ***	-1008.27 (176.82) ***	0.83 (0.01) ***	-1.14 (0.15) ***
Type 3 intercept	562.30 (298.73) *	-189.53 (46.62) ***	-182.09 (39.24) ***	0.39 (0.01) ***	-1.27 (0.12) ***
Welfare admin cost		-0.04 (0.03)			
Welfare diversion		-12.48 (61.86)			
FS short recertification			-1.72 (80.98)		
FS EBT card			4.05 (40.82)		
Metro area residence				0.51 (0.04) ***	-0.65 (0.65)
Local average wage (\$100)				0.46 (0.02) ***	
Service industry share (10%)				0.36 (0.04) ***	
Unemployment rate					-1.22 (0.37) ***
Unemployment rate (-3 mon)					-0.22 (0.36)
Unemployment rate (-6 mon)					0.32 (0.35)
Other preference parameters:					
FT work (ϕ_3)	246.36 (78.89) ***				
PT work, welfare & FS (ϕ_5)	94.20 (50.68) *				
PT work, FS only (ϕ_7)	36.85 (38.53)				
FT work, FS only (ϕ_8)	-662.11 (125.18) ***				
Quadratic term ^b	-0.97 (0.13) ***				
Standard deviations of errors:					
Choice ($\sigma_c \pi / \sqrt{6}$)	949.58 (126.8) ***				
Log wage	0.24 (0.01) ***				
Work requirement sanction (non-exempt):					
Lenient			34.49 (99.68)		
Intermediate			167.27 (69.24) **		
Stringent			105.92 (97.41)		
Type probabilities:					
Type 2			0.22 (0.01) ***		
Type 3			0.45 (0.02) ***		
Summary statistics:					
Parameters			84		
Sample size			20437		
Log likelihood			-27164		

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

TABLE AVIII

ESTIMATION RESULTS: NEW YORK STATE NO TIME LIMIT

	Work (ϕ_H)		Welfare & FS (ϕ_{AF})		FS only (ϕ_F)		Log wage ^a		Job offer (ϕ_J) ^a	
Intercept	-378.35	(338.57)	-3607.09	(447.40) ***	-2469.19	(319.19) ***	5.18	(0.02) ***	-1.09	(0.26) ***
Lagged work dummy	-276.85	(309.40)					0.71	(0.08) ***	49.20	(0.55) ***
Lagged welfare dummy			4244.27	(587.19) ***						
Lagged FS dummy					2809.63	(391.03) ***				
White	-22.08	(46.09)	-167.28	(29.29) ***	-117.03	(25.88) ***	0.17	(0.03) ***	2.12	(0.64) ***
Mother's age	9.27	(3.91) **	-6.29	(2.04) ***	-4.61	(1.84) **	0.08	(0.01) ***	0.06	(0.04)
Grade 12 or higher	196.84	(62.36) ***	62.77	(26.24) **	6.79	(23.36)	0.95	(0.05) ***	8.09	(0.75) ***
South residence	80.19	(48.48) *	-13.50	(32.83)	18.23	(23.67)	0.34	(0.03) ***	1.43	(0.67) **
Number of kids	-103.13	(27.91) ***	-43.47	(15.19) ***	32.04	(18.01) *				
Age of youngest kid	2.51	(5.69)	-2.18	(3.15)	-14.88	(3.54) ***				
Year 94/95	342.57	(163.51) **	-10.64	(101.15)	-114.08	(92.82)	0.33	(0.06) ***	-1.58	(1.03)
Year 96/97	16.24	(68.41)	-23.89	(36.16)	-12.56	(33.05)	0.21	(0.05) ***	0.96	(0.96)
Year 98/99	337.04	(122.45) ***	-52.21	(55.48)	-37.78	(55.17)	0.76	(0.06) ***	-0.03	(1.02)
Type 2 intercept	326.30	(448.96)	-443.42	(78.82) ***	-1002.94	(178.96) ***	0.83	(0.01) ***	-1.16	(0.14) ***
Type 3 intercept	553.58	(307.60) *	-199.73	(48.15) ***	-176.38	(39.33) ***	0.39	(0.01) ***	-1.29	(0.12) ***
Welfare admin cost			-0.05	(0.03) *						
Welfare diversion			-9.40	(61.54)						
FS short recertification					-1.72	(80.94)				
FS EBT card					6.76	(40.78)				
Metro area residence							0.51	(0.04) ***	-0.63	(0.65)
Local average wage (\$100)							0.46	(0.02) ***		
Service industry share (10%)							0.35	(0.04) ***		
Unemployment rate									-1.25	(0.37) ***
Unemployment rate (-3 mon)									-0.20	(0.36)
Unemployment rate (-6 mon)									0.32	(0.36)
Other preference parameters:										
FT work (ϕ_3)	231.49	(79.38) ***								
PT work, welfare & FS (ϕ_5)	117.80	(52.30) **								
PT work, FS only (ϕ_7)	21.77	(39.46)								
FT work, FS only (ϕ_8)	-669.83	(129.21) ***								
Quadratic term ^b	-0.90	(0.14) ***								
Standard deviations of errors:										
Choice ($\sigma_c \pi / \sqrt{6}$)	949.1	(130.4) ***								
Log wage	0.24	(0.01) ***								
Work requirement sanction (non-exempt):										
Lenient	35.97	(98.10)								
Intermediate	166.36	(68.91) **								
Stringent	107.04	(95.22)								
Type probabilities:										
Type 2	0.22	(0.01) ***								
Type 3	0.45	(0.02) ***								
Parameters	84									
Sample size	20437									
Log likelihood	-27166									

Standard errors are in parentheses. FT: full-time work. PT: part-time work. FS: food stamps. Footnote: (a) Estimates and standard errors multiplied by 10. (b) Estimates and standard errors multiplied by 10000. *Significant at the 10 percent level. **Significant at the 5 percent level. ***Significant at the 1 percent level.

FIGURE A1 ---- Distribution of Raw Weekly Work Hours for Workers.

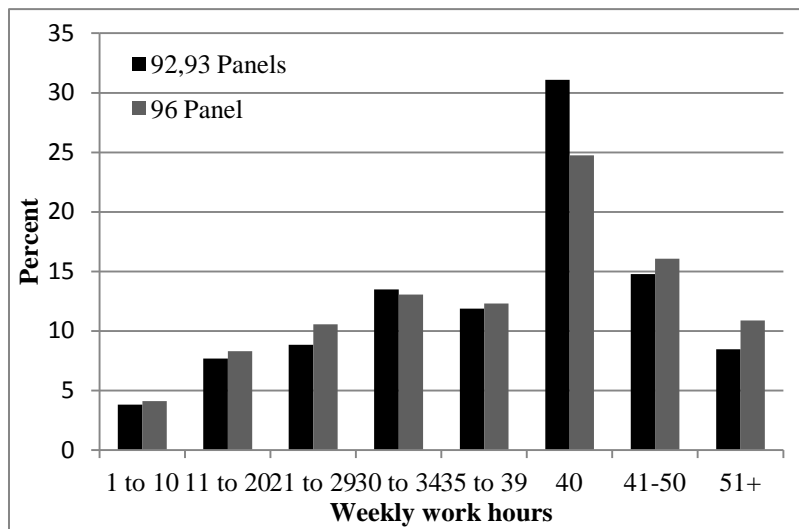
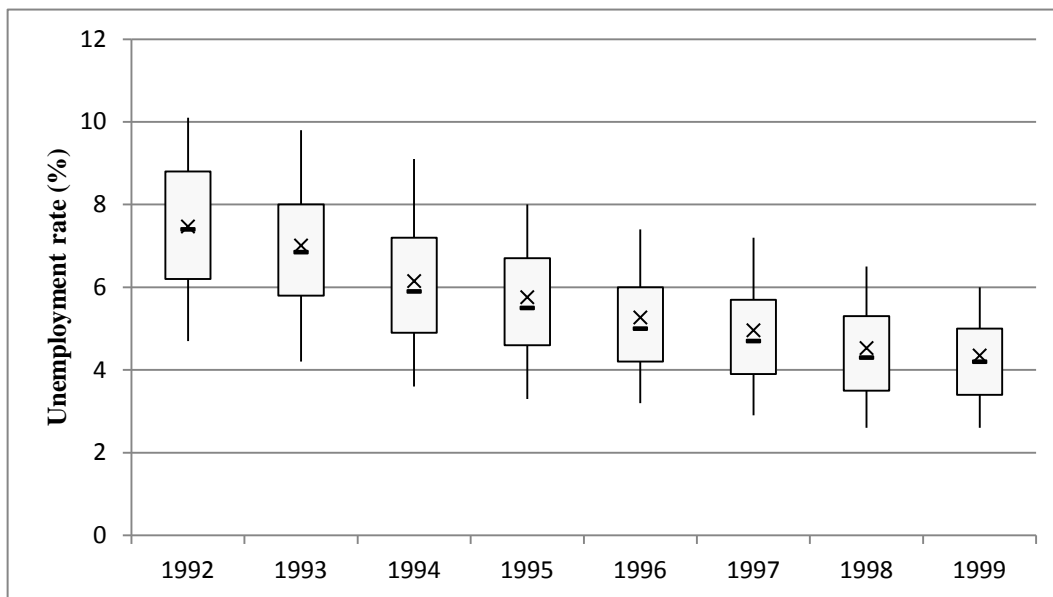
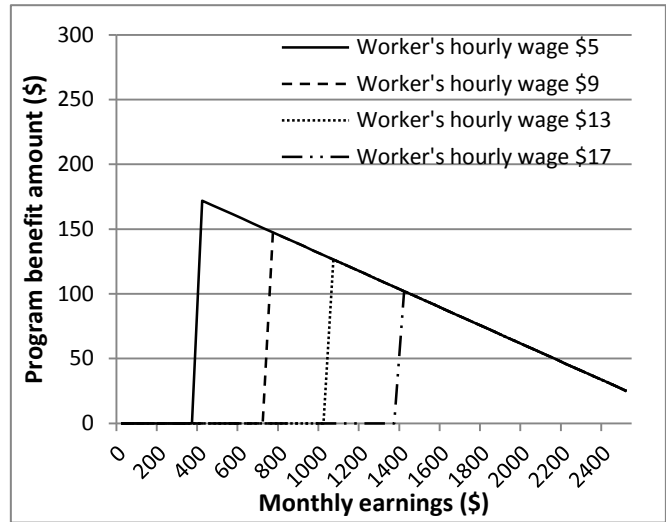
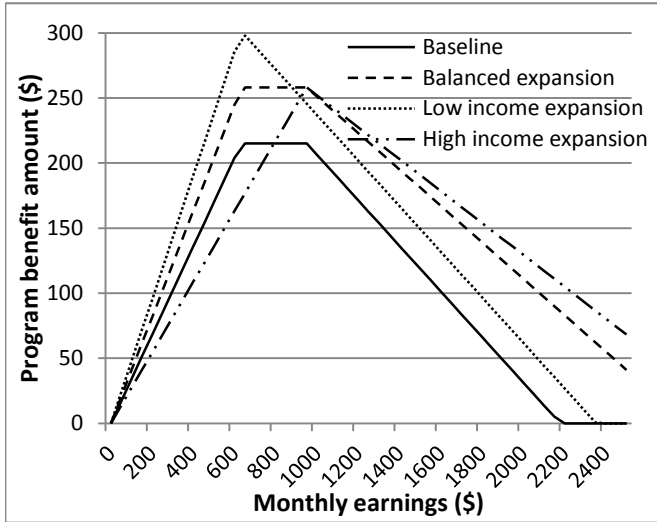


FIGURE A2 ---- Boxplot of Unemployment Rate in the Sample.



Sample size is 20437. The lower and upper ends of vertical lines denote the 5th and 95th percentiles respectively. The box covers the 25th to 75th percentiles. Median is denoted by a dash; mean is denoted by a cross.

FIGURE A3 ---- Program Benefit Functions of EITC and Work Subsidy under Different Scenarios.



The left figure refers to the counterfactual EITC scenarios in Table IX. The right figure refers to the work subsidy in Table X for a family with more than 1 child.