The ‘Family Cap’: A Popular but Unproven Method of Welfare Reform
By Patricia Donovan

In Congress and state legislatures throughout the country, lawmakers are seeking fundamental changes in Aid to Families with Dependent Children (AFDC), the welfare program that provides cash assistance to five million needy families. Time limits on benefits, tougher work rules and requirements that minor parents live with a parent or other adult are among the common features of welfare-reform proposals. Many of these measures have generated considerable controversy, but none more than the so-called “family cap”—the provision that denies higher cash payments to a woman who conceives and bears a child while she is on welfare. Under current policy, a woman on AFDC receives an increase in her monthly benefits if she has additional children.

Proponents of the family cap maintain that the provision removes a financial incentive for AFDC recipients to have more children and therefore will reduce the number of out-of-wedlock births among women on welfare. Supporters also contend that a family cap encourages welfare recipients to make more responsible decisions about childbearing by forcing them to consider before they become pregnant whether they can afford to have another child without an increase in their monthly benefits.

Opponents of the measure, who prefer to use the term “child exclusion policy,” argue that these claims rest on the misperception that welfare recipients deliberately have more children to increase their monthly income, when, in fact, the large majority of pregnancies among poor women are unintended, and most mothers on welfare have small families—an average of 2.6 children in 1993. Moreover, they point out, for all its purported interest in reducing nonmarital births, Congress appears ready to eliminate the longstanding federal requirement that states provide family planning services to AFDC recipients. Such services are estimated to prevent nearly 300,000 pregnancies annually to women on welfare.

In addition, opponents assert, the incremental increases that accompany the birth of additional children—$24–147, depending on the state and the birth order—are too small to cover the cost of caring for a new baby and therefore are not an incentive to have another birth. But, they add, the loss of those extra payments is almost certain to result in greater hardship for poor families already striving to obtain such basic necessities as shelter and food.

Moreover, many prochoice activists and antiabortion advocates share a concern that the family cap will lead to more abortions among welfare recipients faced with an unplanned pregnancy. Right-to-life groups oppose the cap because they find abortion abhorrent, while prochoice groups believe the cap violates the reproductive rights of women on welfare.

This special report details the status of family caps in Congress and the states as of July 1, 1995, and examines plans for and potential barriers to evaluating their impact. It relies on state documents requesting the federal government’s permission to impose a family cap and federal documents stipulating the terms and conditions under which a cap may be implemented, as well as on personal interviews with individuals familiar with the implementation or evaluation of the family cap in various states.

Little Information Available
Presently, there are no conclusive data on the impact of a family cap, nor are there likely to be for some time. Only two states—New Jersey and Arkansas—have actually cut off additional benefits to AFDC recipients who have another child, and the Arkansas cap did not become effective until May 1, 1995. Benefits have been capped in New Jersey since August 1993.

However, a preliminary study in June 1995 concluded that the New Jersey family cap had had no impact on birthrates among women on AFDC during the first year it was in effect (August 1993 through July 1994). The analysis, conducted by researchers at Rutgers University under contract with the state, compared birthrates among two groups of welfare recipients—a group subject to the cap and a control group that continued to receive additional benefits if they had another child—and found that “there is not a statistically significant difference” between the two groups. (The proportions of women who had an additional child were 6.9% and 6.7%, respectively.) These results were unchanged when the researchers controlled for the women’s age and race and their fertility prior to the family cap.

The study refutes earlier claims that the family cap has dramatically reduced births among AFDC recipients. Then-Governor Jim Florio, for example, triumphantly announced in November 1993 that in the first two months the cap was in effect, births among the state’s welfare recipients had declined by 16% (a figure that was soon revised to about 10%). Another analysis found a 29% difference in birthrates between a control group and an evaluation group during the first 10 months of the cap.

In May 1995, meanwhile, New Jersey released preliminary data that showed a slight (3.7%) increase in the abortion rate among AFDC recipients during the first

*Each year, publicly subsidized family planning services prevent 281,000 pregnancies to women on welfare (including 122,000 births and 122,000 abortions). In addition, these services prevent 80,000 pregnancies to women who are not currently on welfare but who would become AFDC recipients if they gave birth. (See: The Alan Guttmacher Institute, special tabulations of data from the 1982 National Survey of Family Growth, 1995.)
eight months of the cap. State officials cautioned, however, that it was too soon to determine whether the increase was a result of the family cap.9

Both New Jersey and Arkansas are conducting long-term evaluations of their welfare-reform measures; the New Jersey report is scheduled to be completed in early 1998, and the Arkansas analysis, in 2000. The other states that have received family-cap waivers are planning to launch evaluations of their caps once they go into effect.

Even if the long-term analyses find that states with a family cap do experience a reduction in births among AFDC recipients, it may be difficult to identify the cause of the decline because most of these states are making other major changes in their welfare programs as well. It will be even more difficult, and in many cases impossible, to assess the impact of a family cap on abortion rates and on adverse outcomes such as homelessness, child abuse, hunger and use of foster care.

Popular Measure

Despite the absence of conclusive impact data, the family cap has quickly become popular among federal and state lawmakers determined to reform the nation’s welfare system. In Congress, for example, the House of Representatives passed welfare-reform legislation in March 1995 that folds AFDC and other entitlement programs into block grants to the states; although the legislation provides little guidance and few conditions on how states spend the money, one of the few exceptions is a requirement that states impose a benefits cap on recipients who have additional children.10

As an incentive for states to reduce out-of-wedlock births without an increase in abortions, the welfare-reform bill passed by the House includes a provision that gives states a bonus on top of their block grant allocation if they succeed in reducing their “illegitimacy ratio”—the number of out-of-wedlock births in the state added to any increase in the number of births, divided by the total number of births.

It is unclear whether the Senate, which is now considering the bill, will accept the House version or give states discretion to impose whatever conditions they choose, including a limit on benefits, rather than mandate a family cap or any other restrictions. Any differences between the House and Senate versions of the bill will be resolved by a conference committee. Final passage of welfare-reform legislation is expected by late summer or early fall.

As presently structured, AFDC is funded jointly by the states and the federal government and administered by the states in accordance with federal law and regulations. States, for example, set their own income eligibility ceiling and benefit levels, but federal law requires that benefits be provided to all “eligible individuals.”11 Nevertheless, states have been able to impose a family cap in the absence of welfare reform under a provision of the Social Security Act12 that allows them to conduct experimental or demonstration projects to test reforms in AFDC programs. To do so, a state must ask the secretary of the Department of Health and Human Services (DHHS) to waive compliance for each change in its welfare program. This state must obtain a separate waiver for each change it wants to make.

In addition to Arkansas and New Jersey, seven other states—Arizona, Delaware, Georgia, Indiana, Nebraska, Virginia and Wisconsin—have received a family-cap waiver, and five more—California, Kansas, Maryland, Massachusetts and Mississippi—are awaiting federal approval of their waiver applications (see Table 1).13 In the first three months of 1995 alone, welfare-reform proposals that include a family cap were introduced in at least 28 states.14

As a condition of receiving a waiver, the state must agree to appoint an independent researcher to conduct an in-depth evaluation of the impact of its demonstration project. A major concern of those who oppose family caps is that whatever welfare-reform measure Congress enacts will eliminate the requirement that states conduct these evaluations and that states, in turn, will cease doing them, leaving policymakers and the public with largely anecdotal information about the cap’s impact.

Family-Cap Waivers

In June 1992, New Jersey became the first state to apply for a waiver to impose a family cap; DHHS granted the waiver the following month. The cap became official on October 1, 1992, but was applied only to children born on or after August 1, 1993. With the exception of Georgia, all other states that have obtained a family-cap waiver have also included a 10-month grace period between the date the cap became official and the actual elimination of increased benefits; in Georgia, the grace period is 24 months.

In New Jersey and elsewhere, the family cap applies to babies who were conceived in a month when their mothers were on welfare. All states exclude from the cap’s reach the firstborn child of a minor who is herself a member of an AFDC household, and all but New Jersey also exempt babies born to women who become pregnant through rape or incest (some require the crime to be verified by the police or a doctor). Some states specify that infants who do not live with a parent (for example, those placed in foster care or living with relatives) or children who return to the family after living in foster care or some other household (assuming they were not subject to the cap at the time of their birth) are eligible for AFDC benefits.

As noted earlier, welfare-reform legislation passed by the House and now in the Senate would delete the requirement that

*Another exception is a prohibition on payment of cash benefits to unmarried teenage mothers under age 18; instead, these young mothers could obtain vouchers for “child care products such as diapers, clothing and school supplies.” At the state’s option, women subject to the family cap could also receive vouchers for these items.

†The proposed Kansas cap is somewhat different from those in other states. It would allow only half the AFDC benefits increase for the birth of a second child to a family where the parent is not working and eliminate any increase for another birth if the family already has two children.

§Some states—Arizona, Delaware, Indiana, New Jersey, Virginia and Wisconsin—specify that the cap applies to children born more than 10 months after their mother applied for AFDC. In Georgia, the cap will be applied only to families that have received benefits for at least 24 months after December 31, 1993.

¶Delaware, Indiana, Nebraska, Virginia and Wisconsin.

**Arkansas, Delaware, Georgia, Virginia and Wisconsin.
states offer family planning services to AFDC recipients. However, six of the nine states that have obtained a family-cap waiver are, either on their own initiative or at the direction of DHHS, placing a greater emphasis on family planning services in conjunction with imposing a cap on benefits:

• Arkansas is providing “information about and encouragement to attend family planning [clinics]”15 when a woman applies for AFDC and during subsequent reevaluations of her eligibility. Group counseling sessions on family planning and parenthood are available for recipients aged 13–17. Acceptance of family planning services and attendance at counseling sessions is strictly voluntary.

• Georgia, Indiana, Virginia and Wisconsin have been instructed by DHHS to offer family planning services to all AFDC applicants and to recipients during their periodic recertification interviews, and Delaware has been directed to provide information on family planning providers. All except Virginia are instructed to ensure that family planning services are “geographically accessible and available without delays.”16 Georgia will also provide instruction in family planning and parenting skills to all AFDC applicants who have had their first child within a year of first applying for benefits.

Under a little-noticed provision in the family-cap waiver of each state except Delaware and Virginia, an “excluded” child is considered an AFDC recipient, even though he or she will receive no benefits. This designation allows the state to keep any child support or other income paid on the child’s behalf, just as it does for other children in welfare families. The other children, however, receive welfare benefits in return for assigning their child support to the state. The states justify their designation of the “excluded” children as AFDC recipients by pointing out that the children remain eligible for Medicaid and food stamps, but these programs have never required eligible individuals to give up child support in return for benefits.

Legal Challenges

Shortly after the family cap went into effect in New Jersey, it was challenged by a group of AFDC recipients as a violation of various federal laws as well as an infringement on the constitutional rights of welfare recipients. In a May 4, 1995, opinion, however, Federal District Court Judge Nicholas H. Politan rejected their claims. The cap, the judge wrote, “reflects the reasoned legislative determination that a ceiling on benefits provides an incentive for parents to leave the welfare rolls for the work force, as any ‘advantage’ of welfare in the form of the per child benefit increase is no longer available.”17

In addition, he said, the family cap “sends a message that recipients should consider the static level of their welfare benefits before having another child, a message that may reasonably have an ameliorative effect on the rate of out-of-wedlock births that only foster the familial instability and crushing cycle of poverty currently plaguing the welfare class.” The ruling will be appealed.

In the meantime, a lawsuit challenging the Arkansas family cap is expected to be filed soon. A similar suit has already been filed in Indiana.

Impact Evaluation

When DHHS grants a waiver, the agency and the state must agree on a detailed evaluation plan before the waiver is implemented. The waiver documents indicate that the states’ evaluations of their welfare demonstration projects will be similar in many respects (although presently only New Jersey and Arkansas have formal evaluation plans in place). Each state will compare a group of AFDC recipients who are subject to the cap (and any other changes being implemented) with a group who will not be affected by the changes and therefore can serve as a control group.

The size and place of residence of the research sample will vary from state to state. New Jersey, for example, has randomly assigned about 3,000 recipients to the control group; of the other recipients in the state (who are subject to the cap), about 6,000 have been chosen at random to be part of the evaluation group. Arkansas has randomly assigned about 1,500 recipients to the evaluation group and an equal number to the control group; both groups were limited to AFDC recipients living in 10 of the state’s 75 counties, although recipients in 55 other counties are also subject to the cap.18 The demonstration projects will run for five to eight years.

Although each evaluation will address issues specific to the waivers implemented in a particular state, DHHS has directed most states to address the following questions:

• Do the family cap and other waivers promote self-sufficiency among welfare recipients, as measured by such criteria as employment rates, earned income, hours worked, accumulated savings and exit from and reentry to AFDC?

• What impact do the waivers have on family structure and stability, as reflected by such measures as the number of births, the number of new child-support orders, the rate of use of foster care, homelessness and the frequency of address change?

• What impact do the waivers have on the well-being of children, as measured by reports of child abuse and neglect, health status and the incidence of school truancy, among other issues?

Evaluation Problems

Although the evaluations will address many complicated, interconnected issues, what is most on the minds of elected officials and the public with respect to the family cap is whether it results in a reduction in births among women on AFDC. Answering that question may not be as simple or straightforward as it initially appears.

Reporting Delays

As former New Jersey Governor Florio discovered, hasty conclusions about the family cap’s impact on births are risky because welfare recipients who are subject to the cap often do not report a new birth to their local welfare agency for several months. Reporting delays are not surprising, because women subject to the family cap have little incentive to report a birth in a timely manner when they know their family will not receive an increase in cash benefits. Newborns ineligible for cash benefits are still eligible for Medicaid coverage and food stamps, but according to those familiar with New Jersey’s experience with the cap, recipients frequently are unaware that their infant is entitled to these benefits or that they have to report the birth to obtain them. In addition, some recipients fear that their benefits will actually be reduced if the state learns they have another child.18

Although hospitals report all births to their state or local health department, virtually no hospitals routinely inform the local welfare agency of births occurring to AFDC recipients. It is the mother’s responsibility to inform her caseworker when she has another child, but she may not do so before her periodic recertification of eligibility.

“A [reporting] lag is a significant problem,” observes Carol Harvey, a professor at Rutgers University who is one of two evaluators of the New Jersey waivers. “You can’t figure a month later that all

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15 The remaining 10 counties, which include the state’s only urban areas, Little Rock and Fayetteville, are being held out of the demonstration project in anticipation that they will participate in a work-for-welfare demonstration project for which a waiver is now pending before DHHS.
births will be reported." In fact, New Jersey officials believe it is at least five months before most births for a given month have been reported; they also think that some births may never be reported.

A lag in reporting largely explains the whopping 29% decline in births for the first 10 months of the New Jersey cap found in a 1994 study. State officials say the analysis comparing the evaluation group to the control group, which was completed almost immediately after the end of the 10-month period, had only about five months of reliable data on births. The Rutgers evaluators who recently found no difference in birthrates between AFDC recipients who were subject to the cap and those who were not concluded that "the primary reason for the difference between our findings and those of earlier analyses conducted on the family cap is that lengthy reporting delays of births by clients resulted in incomplete data available to earlier research efforts."

**Control Group Bias**

Comparing outcomes in an experimental group with those in a control group is a common scientific method of assessing the impact of a change. In this instance, however, there is a risk that some members of the control group will be affected by the family cap even though it does not apply to them. As one New Jersey official observed, "you can't shield the controls...from hearing about the treatment."

Arkansas was sufficiently concerned about this possibility that it proposed to DHHS that the state's evaluation use a "nongray equivalent comparison group [of] Arkansas women of corresponding age and race cohorts" rather than a control group of AFDC recipients. "The validity of a control group chosen from among AFDC recipients for this study is open to question," the state said.

Arkansas pointed out that because the family cap has received widespread publicity in the media, the behavior of the control group could be altered by their knowledge that most AFDC recipients will be denied an increase in benefits if they have another child. Some of the controls, the state said, may have another child more quickly than they otherwise would, for fear their benefits will be capped in the future. A decrease in the birth interval, of course, would increase the birthrate, and, in the process, the state noted, "contravenes the waiver's purpose of reducing birthrates in the AFDC population." Despite these concerns, DHHS directed Arkansas to randomly assign recipients to control and evaluation groups.

**Multiple Changes**

A fundamental problem with the waiver evaluations is that many involve numerous variables. With the exception of Arkansas and Wisconsin, all states that have received a family-cap waiver requested and received permission to make other far-reaching changes in their welfare program at the same time. New Jersey, for example, obtained waivers to implement an expanded job training, education and employment program; to reduce the "marriage penalty" so that children of a parent who marries may continue to receive benefits if total family income is below a certain level; and to permit employed recipients who have another child to keep more of their earned income. Delaware obtained 28 separate waivers and Virginia obtained 25 waivers.

Researchers say that attributing cause and effect when a state makes so many changes at the same time is almost impossible. "It is difficult to distinguish the effects, particularly if they take effect at the same time," notes Harvey, the New Jersey evaluator.

Ideally, a state would analyze each waiver independently. Some recipients, for example, would be exposed to the family cap but no other changes, while others would be exposed only to an expanded job training program, and so forth. This approach would enable researchers to make definitive judgments about the impact of individual changes. With the possible exception of Nebraska and Virginia, states are not planning to evaluate the impact of individual provisions.

Even if birthrates fall, therefore, documenting the degree to which the family cap caused the decline will be difficult. Although the cap may be a contributing factor, other changes may also play a role. In New Jersey, for instance, the enhanced job training and employment program may result in some recipients leaving the welfare rolls more quickly than they otherwise would, which, in turn, could affect the birthrate. For example, women who exit early may be more motivated to find work and also more successful at practicing birth control than those remaining on AFDC, who, as a result, may tend to have higher fertility.

Evaluating the impact of the family cap on birthrates may prove to be somewhat easier in Arkansas and Wisconsin. Arkansas has made only two significant changes in its welfare program: a family cap and a mandatory education and job training program for parents younger than 16. The evaluators will use lengthy interviews with a subset of the research sample to try to collect information on the factors that underlie recipients' childbearing decisions. Even so, the researchers conducting the evaluation are concerned that it will be difficult to attribute results to a specific change. In Wisconsin, the family cap will be implemented independent of any other changes in the state's welfare program.

**Follow-up Difficulties**

DHHS has instructed each of the states granted a family-cap waiver to keep track of individuals in its research sample for the duration of the evaluation, even if they leave the welfare rolls or move out of the county where the evaluation is being conducted. (No attempt will be made in any state to follow those who leave the state.) Tracking those who leave the rolls will be especially important in trying to assess possible negative outcomes.

Fulfilling this obligation will be no easy task, however, as those charged with the responsibility readily admit. "As a researcher, I know [follow-up] will be extremely difficult," says Brent Benda, one of the evaluators of the Arkansas waivers. "There are people in Arkansas who do not have a phone. There may be a community phone you can call and leave a message; the person may call back in two or three days. Some people have a post office box rather than a mailbox. Some don't read.... It is extraordinarily expensive detective work to track down people," Benda declares.

The problems encountered in rural Arkansas may be different from those in urban New Jersey, but it may be as difficult to locate current and former AFDC recipients in Newark as it is in Yell County, Arkansas.

**Effect on Nonmarital Births**

Even if long-term evaluations of the family cap conclude that it does contribute to a decline in births among women on AFDC, the cap's impact on the overall number of nonmarital births in a state or in the country as a whole is likely to be quite small: Welfare recipients account for a small proportion of women of childbearing age—only 6% of women aged 15–44 in 1992 were...
on AFDC—\textsuperscript{22} and nonmarital births are becoming increasingly common among women of all backgrounds.\textsuperscript{28} Furthermore, only a small proportion of AFDC mothers have a baby in any given year.\textsuperscript{29}

Thousands of poor children, on the other hand, are likely to be affected by the states’ efforts to reduce births among this small group of women. In New Jersey, for example, 6,267 babies were denied cash benefits during the first year of the family cap,\textsuperscript{30} while the number of births to welfare mothers may not have declined at all, as suggested by the Rutgers University study, or may have declined by 1,629 births, if preliminary figures from the New Jersey Department of Human Services are correct. Even if the policy affects births and abortions, these impacts are “beside the point,” argues David Sciarra, a Legal Services attorney who represents the plaintiffs in the New Jersey lawsuit challenging the family cap. “For every child not born, [four] are excluded from the safety net. Is that the public policy we want to pursue?”\textsuperscript{31}

**Measuring Adverse Effects**

Strikingly absent from the debate over family caps is the halls of Congress and state legislatures, in governors’ offices and in public discussions is any acknowledgment that family caps could cause AFDC families considerable hardship in terms of homelessness, hunger, a rise in child abuse and neglect, and more frequent use of foster care and adoption. “This is the other side of the equation no one wants to know about,” asserts Sciarra. “What happens to families with excluded children?... Do they have access to all the support services they are entitled to?” he asks. “Do they get the help?... If they are not working, how are they getting by with less money, how are they paying for housing, for food?... That’s what we need to know.”

Opponents of the cap are particularly worried about its impact on the ability of AFDC families to find housing. Nationally, fewer than a quarter of AFDC recipients receive any type of public housing assistance,\textsuperscript{32} and in some states, the proportion is substantially lower (in New Jersey, it is 17%).\textsuperscript{33} Most AFDC families, therefore, must go into the private rental market and often spend their entire monthly benefit on housing.\textsuperscript{34} But, discussion of the family cap centers almost exclusively on its effect on birth and abortion rates, and the states’ evaluations are likely to focus largely on those issues, as well.

As evaluator Harvey notes, the potential for adverse outcomes associated with the family cap exists, but “there will not be a lot of focus on those issues” in the New Jersey evaluation. Indeed, according to Michael Laracy, a former welfare official who was involved in writing the request for evaluation proposals, Governor Florio’s office directed the staff of the Department of Human Services to make “sure that the evaluation would not measure key indicators of adverse impacts.”\textsuperscript{35} Adds Laracy, “We were instructed to delete any reference to abortion or negative outcomes.”\textsuperscript{36}

If researchers do attempt to collect evidence of adverse consequences associated with the family cap, they will do so largely through interviews with subsamples of the experimental and control groups, because states either do not have systematic ways of measuring these outcomes, or they lack the resources for or interest in doing so on a comprehensive basis.

**Impact on Abortion Rates**

Despite heated debate over whether family caps will result in an increase in abortions among AFDC recipients, most states have no plans to assess the impact of a cap on abortion rates, probably because they would have no way to obtain this information even if they wanted to. New Jersey is currently the only state with a family-cap waiver that pays for abortions for Medicaid recipients, and therefore is the only state that will have any data on abortions obtained by women on welfare.*

The New Jersey Department of Human Services recently announced that Medicaid paid for 7,932 abortions for AFDC recipients during the first eight months of the cap (August 1993 through March 1994), compared with 7,619 during the previous 12 months, an increase of 4.1% since the cap took effect. The abortion rate rose by 3.7% between the two periods. Human Services Commissioner William Waldman cautioned, however, that random fluctuations in abortion rates typically occur during the course of a year, and that it was therefore too early to draw conclusions about whether the rise in the abortion rate was a result of the family cap.\textsuperscript{37} Nonetheless, the increase in abortions among AFDC recipients, set against a 12% decline in the abortion rate for all women in New Jersey between 1988–1992 and a downward national trend,\textsuperscript{38} appears to support the view that the family cap raises abortion rates.

Because the other states with family-cap waivers do not cover abortions under their Medicaid program, they have no way of knowing if the abortion rate increases after benefits for additional children are eliminated. Nor will such information be available from abortion providers, because they do not record the AFDC status of their Medicaid patients.

**No Evaluation**

Whatever their shortcomings, evaluations of family caps and other waivers presumably will provide at least some indication of the impact of major welfare reforms. Many observers fear, however, that efforts to collect and analyze data will cease if Congress enacts legislation that either requires states to impose a family cap or gives them the option to do so. Under either scenario, states are unlikely to be required to evaluate experimental strategies, and few, if any, would do so on their own, because evaluations are methodologically difficult and expensive; currently, the states and the federal government split the cost of evaluations equally.

Joli Wallis, manager of the Arkansas Department of Human Services’ Income Support Section, thinks that under such circumstances her state would probably continue to impose the cap, but would discontinue the evaluation of its impact—a prospect that her evaluators find disturbing. “I am concerned that we are creating a real mess across the country,” says Carolyn Turturro, one of the researchers. “People are not thinking through the implications of...what will happen when there is no more money for an additional child,..., or when a two years and out rule is adopted and there are no jobs.... Policy is being ruled by public sentiment without taking a look at things carefully and [assessing] what impact they have.”\textsuperscript{40} Her colleague Benda agrees. Without evaluations, he says, “we’re not going to know what happens with these changes.”

**Conclusion**

In the current rush to “reform” welfare, the family cap is widely viewed as a sure bet to reduce births among AFDC families. Yet, the preliminary data from New Jersey suggest that the cap may not have the impact its advocates expect. Furthermore, even if the cap is found to contribute to a decline in births, there may be less disruptive means of accomplishing the same result, such as expanding access to subsidized family planning services for poor women. Such services currently prevent some 123,000 births annually to women on welfare.\textsuperscript{41}

Moreover, birthrate declines associated with a family cap may be achieved at the price of placing families at risk of homelessness, hunger and other adverse out-

\*As of July 1, 1995, 16 states in addition to New Jersey paid for abortions for Medicaid recipients.
comes. No one knows, at this point, what impact the loss of AFDC benefits has had on the families of the more than 6,200 children who were denied AFDC benefits in the first 12 months of the family cap in New Jersey. And, as this report has shown, the full impact of the family cap—especially its adverse outcomes—may never be known.

Nevertheless, evaluations of the family cap are under way in New Jersey and Arkansas and will be starting soon in several other states if they are not set aside in response to congressional legislation. The elimination of these evaluations would be unfortunate because, whatever their shortcomings, they will provide policymakers with at least some grounds for making informed judgments about the wisdom of seeking reductions in AFDC birthrates by denying increases in cash benefits to mothers of newborn babies.

References
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22. R. Myers, 1995 op. cit. (see reference 18).
35. M. C. Laracy, former official of New Jersey Department of Human Services, memorandum to D. Sciarra, Nov. 9, 1994.
36. ———, personal communication, June 1, 1995.