

**Appendix H
WELFARE REFORM SAVINGS ESTIMATES**

Title	Estimates *				Implemented by			Caseload effect	
	All funds	State funds	County funds	Federal funds	Admin.	Regulation	Legislation	Eligibility	Grant
II. The Equitable Apportionment System and Flat Grants									
Flat Grant System of Welfare Payments-----	\$18,000,000	\$7,100,000	\$1,900,000	\$9,000,000		×			×
Special Needs Responsibility-----	(10,000,000)	0- 0	(5,000,000)	(5,000,000)		×			×
Special Needs Reform-----	15,000,000- 28,100,000	5,000,000- 10,500,000	2,500,000- 3,500,000	7,500,000- 14,100,000		×			×
III. Developing Stricter Welfare Eligibility Standards									
Standardized Eligibility Operations-----	30,000,000	10,000,000	5,000,000	15,000,000			×	×	
Eligibility—Basic Needs-----	16,400,000- 45,000,000	7,100,000- 15,000,000	1,200,000- 7,500,000	8,100,000- 22,500,000		×		×	
Eligibility and Grant Determinations-----	4,800,000- 9,000,000	1,800,000- 3,000,000	600,000- 1,500,000	2,400,000- 4,500,000		×			×
“In-Kind” Income-----	75,000,000-107,600,000	27,000,000- 41,900,000	12,000,000- 13,200,000	36,000,000- 52,500,000		×			×
Definition of “Unemployment” in AFDC—Unemployed-----	19,000,000- 21,500,000	10,400,000- 11,300,000	5,100,000- 5,500,000	3,500,000- 4,700,000		×		×	
College Students on Welfare Rolls-----	23,100,000	8,100,000	3,800,000	11,200,000		×		×	×
Residence Requirements-----	9,000,000- 9,100,000	3,800,000- 4,000,000	800,000- 1,000,000	4,000,000- 4,500,000		×		×	
Residency and Aliens on Welfare-----	1,500,000	23,600,000	5,800,000	(27,900,000)			×	×	
Definition of “Totally Disabled”-----	0- 12,000,000	11,700,000- 16,000,000	(33,000,000)-(12,800,000)	13,100,000- 17,000,000			×	×	
IV. Closing Loopholes in the Welfare System									
“Work-Related” Expenses-----	25,300,000- 65,000,000	8,700,000- 22,700,000	4,400,000- 10,900,000	12,200,000- 31,400,000		×		×	×
Averaging Income to Close Loopholes-----	3,000,000- 15,000,000	1,000,000- 5,000,000	500,000- 2,500,000	1,500,000- 7,500,000		×		×	
Leave of Absence From Job-----	100,000- 1,400,000	40,000- 500,000	0- 200,000	60,000- 700,000		×		×	
Lump Sum Payments As Income-----	6,000,000- 10,300,000	2,500,000- 4,300,000	500,000- 1,000,000	3,000,000- 5,000,000			×		×
Withholding Exemption Loophole-----	1,500,000	500,000	250,000	750,000		×			×
“Two-Unit Family” Loophole-----	600,000- 6,000,000	200,000- 2,000,000	100,000- 1,000,000	300,000- 3,000,000		×			×
Income-Producing Property-----	4,500,000- 11,200,000	2,000,000- 4,600,000	500,000- 1,100,000	2,000,000- 5,500,000			×	×	
Allowable Automobile Value-----	1,000,000	300,000	200,000	500,000		×			×
Maximum Value on Exempt Property-----	30,000,000	10,000,000	5,000,000	15,000,000		×		×	
VI. Reinforcing Family Responsibility									
Absent Fathers-----	40,000,000	5,000,000	15,000,000	20,000,000			×		×
Unwed Pregnant Minors-----	8,000,000- 8,400,000	2,900,000- 3,000,000	1,000,000- 1,400,000	4,000,000- 4,100,000		×		×	×
Stepfather Responsibility-----	3,500,000- 6,600,000	1,500,000- 2,300,000	500,000- 1,100,000	1,500,000- 3,200,000			×	×	×
Child Protective Services-----	300,000- 2,000,000	0- 0	100,000- 500,000	200,000- 1,500,000		×			
Support From Out of State Relatives-----	2,500,000	1,300,000	200,000	1,000,000		×			×
OAS Responsible Relative Support-----	41,000,000	17,600,000	2,900,000	20,500,000			×		×
\$20,000 Real Property Exemption-----	26,500,000- 51,100,000	11,500,000- 22,100,000	2,000,000- 3,800,000	13,000,000- 25,200,000			×	×	
VII. Implementing the Welfare Reform Plan									
Simplified Welfare Regulations-----	500,000	500,000	0	0	×				
Overpayments of Welfare Assistance-----	9,100,000	3,600,000	1,100,000	4,400,000		×			×
Expand and Intensify Audits-----	26,000,000- 51,000,000	11,000,000- 22,000,000	6,000,000- 11,000,000	9,000,000- 18,000,000	×			×	×
Confidentiality Laws-----	15,000,000	5,000,000	2,500,000	7,500,000			×	×	×
Social Services-----	120,000,000-172,900,000	0- 0	30,000,000- 55,600,000	90,000,000-117,300,000		×			
Total-----	566,200,000-836,400,000	200,740,000-282,800,000	73,450,000-148,150,000	283,310,000-414,150,000					

* The estimates of savings contained in this table are based on caseload estimates revised to February 28, 1971, including special data obtained from selected representative counties. In some cases, data were sufficiently dependable to pro-

ject a single estimate. In most instances, however, differing estimates required the establishment of ranges within which savings could reasonably be expected to fall. Conservative assumptions were utilized throughout the estimating

process, resulting in estimates of the minimum savings (whether single or range) that may reasonably be expected, without consideration of possible overlapping of affected populations.