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LAUREN A. SCHUYLER, PHD
Assistant Research Director

LETITIA LOGAN PASSARELLA, MPP
Research Director

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ACRONYMS

ACF	Administration for Children & Families; U.S. Department of Health and Human Services
AFDC	Aid to Families with Dependent Children
ALICE	Asset Limited, Income Constrained, Employed
ANOVA	Analysis of Variance
BLS	U.S. Bureau of Labor Statistics
CARES	Client Automated Resources and Eligibility System
CBPP	Center on Budget Policies and Priorities
CCS	Child Care Scholarship
CPI	Consumer Price Index
CSA	Child Support Administration, Maryland
CSS	Child Support Services
CSES	Child Support Enforcement System
CSMS	Child Support Management System
E&E	Enrollment & Eligibility
EITC	Earned Income Tax Credit
GWDB	Governor's Workforce Development Board
FIA	Family Investment Administration; Maryland Department of Human Services
FPL	Federal Poverty Level
LDSS	Local Department of Social Services
MA	Medical Assistance (specifically, Medicaid and MCHP)
MABS	Maryland Automated Benefits System
MCHP	Maryland Children's Health Insurance Program
MDH	Maryland Department of Health
MDHS	Maryland Department of Human Services
MD THINK	Maryland Total Human Services Integrated Network
MSDE	Maryland State Department of Education

NAICS	North American Industry Classification System
NCSL	National Conference of State Legislatures
OFA	Office of Family Assistance; Administration for Children & Families; U.S. Department of Health and Human Services
OPRE	Office of Planning, Research and Evaluation; Administration for Children & Families; U.S. Department of Health and Human Services
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
SFY	State Fiscal Year (July 1 through June 30 across two calendar years). For example, July 1, 2023 through June 30, 2024 represents SFY 2024.
SNAP	Supplemental Nutrition Assistance Program
SSA	Social Security Administration; Maryland Department of Human Services
SSI	Supplemental Security Income
SSDI	Social Security Disability Insurance
TANF	Temporary Assistance for Needy Families
TCA	Temporary Cash Assistance
TSS	Transitional Support Services
UCFE	Unemployment Compensation for Federal Employees
UI	Unemployment Insurance
UMSSW	University of Maryland, Baltimore, School of Social Work

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EXECUTIVE SUMMARY

For more than 40 years, MDHS has partnered with UMSSW to conduct policy-relevant research in support of Maryland's cash assistance program. This partnership positioned Maryland to be the first state to systematically examine the characteristics and outcomes of families who left TCA, Maryland's version of the federal TANF program (Freitag, 1997). This year, UMSSW celebrates the 30th edition of *Life After Welfare*, marking a momentous milestone for TANF research and Maryland's continued commitment to document the experiences and outcomes of families who receive cash assistance.

The focus of this year's report is families who left TCA in the last 5 years, between SFYs 2020 and 2024 (July 2019 through June 2024). This timeframe includes the onset of the pandemic—when unemployment and TCA caseloads reached historic highs—through more recent years of post-pandemic recovery (Smith & Passarella, 2023a; Smith et al., 2024a; BLS, 2025), including the period of record low TCA caseloads. This year's report provides new analyses alongside select standard analyses that anchor the report year-to-year. This chapter summarizes the report's key findings.

THIS EXECUTIVE SUMMARY MAKES COMPARISONS TO THE **ACTIVE CASELOAD**, WHICH REFERS TO FAMILIES WHO RECEIVED TCA IN THE SAME SFY.

WHEN A CHARACTERISTIC IS **OVERREPRESENTED**, IT MEANS IT APPEARED *MORE OFTEN* AMONG LEAVERS THAN AMONG RECIPIENTS, WHILE **UNDERREPRESENTED** MEANS THE CHARACTERISTIC APPEARED *LESS OFTEN* AMONG LEAVERS THAN AMONG RECIPIENTS.

Case Closure Reasons

In recent years, the three most common reasons families' cases closed included: (1) income exceeded eligibility limits; (2) families did not reapply; and (3) families did not maintain eligibility.

- In 2024, 38% of cases closed due to income above eligibility limits, an increase over 2023 (33%) and 2022 (31%).
- An additional 38% of 2024 cases closed because the family did not reapply (21%) or maintain eligibility (17%).

Characteristics of 2024 Exiting Cases

The composition of exiting cases largely mirrors the active caseload, with some exceptions. Notably, families utilized TCA for relatively short periods.

- The majority (64%) of recipients on exiting cases were children, with nearly half (49%) of cases including a child aged 5 or under and more than half (55%) including a child aged 6 to 12.
- Cases with no children and cases with two adults were overrepresented in the exiting caseload, likely due to children aging out and increased household income pushing families above eligibility thresholds.
- Cases with no adult recipients were underrepresented in the exiting caseload, consistent with prior research showing longer program duration for child-only cases.
- A majority (68%) of 2024 families had 12 or fewer months of *continuous* TCA receipt before exit, and nearly half (47%) had 12 or fewer months of *cumulative* receipt in the previous 5 years.

Adult Recipients on 2024 Exiting Cases

The characteristics of adult leavers largely reflect the active caseload, with some differences.

- The majority of leavers were Black (63%) or White (23%) women (81%) who had never married (72%) and were 35 years of age, on average. In addition, the majority (80%) had finished high school, were required to participate in work activities (83%), and most (93%) did not have a long-term disability.
- Recipients who were male or married were overrepresented in the exiting caseload, which is expected given that these groups are associated with higher earnings and lower risk of poverty, respectively.
- Recipients who were work-exempt or who had a long-term disability were underrepresented. Work-exempt cases—often child-only—have longer program durations, on average, while recipients with a long-term disability may have sustained eligibility while they apply for federal disability benefits.

Population Employment & Earnings[1]

There was an overall increase in the percentage of employed leavers between the year prior to TCA entry and the year after TCA exit. This increase was largely driven by increases in full-year employment. Median earnings, although low, increased over time.

- Three in five (61%) 2024 leavers were employed in the year after exit, compared to slightly more than half (53%) in the year before entry.
- Among 2024 leavers, full-year employment increased from the year before entry to the year after exit (22% to 33%), while partial-year employment declined (31% to 28%).
- In the year after exit, median earnings among employed 2024 leavers were $18,007. Median earnings were five times higher among leavers with full-year rather than partial-year employment ($30,186 vs. $6,385).
- Among SFY 2020 leavers with 5 years of follow-up data, median earnings increased nearly $9,000 from the 1st ($13,611) to the 5th year after exit ($22,476).

Individual Employment & Earnings[2]

Roughly half of 2024 leavers experienced increased or consistent employment or earnings between the year before TCA entry and the year after exit, while the other half experienced decreased or no employment or earnings. The main report provides additional findings by race and ethnicity.

- Nearly one in three (30%) leavers experienced increased employment between the year before TCA entry and the year after exit, and one in four (24%) had consistent employment. One in five (19%) experienced decreased employment.
- Nearly two in five (37%) leavers had an earnings increase of $2,500 or more, and 12% experienced consistent earnings. One in four (23%) experienced an earnings decrease of $2,500 or more between the year before TCA entry and the year after exit.
- Among those with increased earnings, the median gain was $16,408. Among those with decreased earnings, the median loss was $10,592.

[1] Page 25 provides definitions for full-year and partial-year employment.

[2] Page 30 provides definitions for individual employment and earnings experiences (i.e., increased, stable, decreased, none).

Sectors of Employment

A substantial percentage of 2024 leavers were employed in sectors that are vital to the national and Maryland economies. Those sectors, however, are associated with lower earnings.

- One in four (26%) leavers was employed in the health care and social assistance sector, a percentage that has remained relatively stable over time. This was also the sector with the highest median quarterly earnings ($6,926).
- Two in five (39%) leavers were employed in sectors that have some of the lowest median earnings after exit, including: (1) retail trade; (2) accommodation and food services; and (3) administrative and support services.

Income Supports after Exit

Families relied on additional income supports after their TCA exits, though most families did not return to TCA.

- In the year after leaving TCA, only one in four (27%) exiting 2024 families had an order for current support in place. However, the majority (76%) of those with a current support order received at least one payment. When child support was received, it provided families with a median of $2,502 in the year after exit.
- In the year after exit, a majority of 2024 leavers participated in MA (95%) and SNAP (81%), while a much smaller percentage returned to TCA (21%) or received SSI (15%). Among all leavers, SNAP and SSI participation notably decreased in the years following exit.
- Over time, the percentage of leavers who participated in TSS immediately following their exits increased from 21% (2020 leavers) to 32% (2024 leavers). This is consistent with the increase in case closures due to income exceeding eligibility limits.

Over the past three decades, Maryland has annually documented the experiences of families after exiting TCA. This long-standing commitment has provided valuable insights to a wide range of stakeholders. The 30th edition of this report reaffirms that TCA is a temporary economic support for vulnerable families. However, despite a majority of leavers working both before entering and after exiting the program, median earnings were consistently below the income necessary to fully meet families' needs.

Importantly, low-income families face persistent structural and economic barriers to achieving financial stability. For example, many recipients are employed in sectors with low wages and volatile work schedules; however, those sectors are vital to Maryland's economy (Office of the Comptroller, 2024). In addition, challenges such as the national caregiving crisis (Peusch, 2024) and gaps in infrastructure, including public transportation, further hinder Marylanders' abilities to find and maintain stable employment (GWDB, 2024).

In this context, Maryland's commitment to continued research on the experiences and outcomes of TCA leavers is both rare and vital. As one of only a few states that systematically conducts and publicly shares this research (Safawi & Pavetti, 2020), Maryland sets a national example in leveraging administrative data to inform program, policy, and advocacy work. This work reflects an over 40-year partnership between MDHS and UMSSW, grounded in a shared commitment to understanding and improving the lives of families experiencing economic hardship. By providing timely, empirical insights, this research equips policymakers, practitioners, researchers, and advocates with the information they need to understand the outcomes of TCA leavers.

INTRODUCTION

For more than 40 years, since the early 1980s, MDHS has partnered with UMSSW to conduct policy-relevant research in support of the cash assistance program, TANF, and its predecessor, AFDC (Born & Kunz, 1990). This unique partnership positioned Maryland to be the first state to systematically examine the characteristics and outcomes of families who left TCA, Maryland's version of the federal TANF program (Freitag, 1997). In 1997, just 1 year after Maryland successfully adopted and implemented TCA, UMSSW released the very first *Life After Welfare* report (Welfare and Child Support Research and Training Unit, 1997). Since the release of the first report, UMSSW has annually released a report examining families who left cash assistance (Appendix A).

This year, UMSSW celebrates the 30th edition of *Life After Welfare*. This marks a momentous milestone for TANF research and Maryland's continued commitment to document the experiences and outcomes of families who receive cash assistance. In honor of the 30th edition, this year's update provides new analyses alongside select standard analyses that anchor the report year-to-year. This fresh perspective includes examinations of groups that are over- and underrepresented in the exiting caseload. The report also explores novel employment and earnings analyses that help tell the stories of leavers' employment experiences after exit. These analyses include estimates of changes in employment between the year before entry and year after exit, including increases, decreases, and stability in both employment and earnings. Additionally, this report disaggregates certain analyses by race and ethnicity, bringing to light revelations that help combat stereotypes about cash assistance receipt.

The focus of this year's report is families who left TCA in the last 5 years, specifically between SFYs 2020 and 2024 (July 2019 through June 2024). This timeframe includes the onset of the pandemic—when unemployment and TCA caseloads reached historic highs—through more recent years of post-pandemic recovery (Smith & Passarella, 2023a; Smith et al., 2024a; BLS, 2025), including the period of record[3] low TCA caseloads. It also includes a period during which wages have not kept pace with inflation (Office of the Comptroller, 2024). Some descriptions of findings focus primarily on the most recent year of case closures while others compare trends over time.

Importantly, this update includes follow-up data through December 2024 and therefore does not reflect the economic realities of families throughout calendar year 2025. Since April 2025, Maryland's unemployment rate has slowly but steadily increased (BLS, 2025), driven in part by mass layoffs in the federal government. Maryland has the largest federal workforce per capita (Lee & Cuadra, 2025), and since January 2025, more than 15,000 Maryland federal employees have lost their jobs (Pilsbury, 2025). Moreover, 2025 has brought substantial economic uncertainty to Maryland (The Office of Governor Wes Moore, 2025; Spears, 2025b; Kinnally, 2025) and high risk of an impending recession (Hogan, 2025). The October 2025 federal government shutdown (Spears, 2025a) exacerbates these economic realities.

Although this update does not reflect the economic realities of this year, it offers insight into the employment, earnings, and safety net experiences of families who recently left TCA. Moreover, it sheds light on certain groups who are over- and

[3] Analysis not shown and based on authors' analysis of FIA statistical reports.

underrepresented in the exiting caseload and explores potential economic, policy, and other reasons for this. Ultimately, the provision of these descriptive findings offers stakeholders relevant data to inform policy- and decision-making that impacts some of Maryland's most vulnerable families.

METHODS

This chapter describes the methodological approach for the 2025 update to the *Life After Welfare* study. It provides details about the population, data sources, and data analysis techniques. Appendices A through D accompany this chapter and begin on page 65.

Population

Similar to recent *Life After Welfare* reports, the 2025 update examines the population of non-churn TCA case closures during the study period.[4] This most recent update examines 5 years of case closures spanning SFYs 2020 through 2024 (i.e., July 2019 through and inclusive of June 2024). FIA monthly case closure reports demonstrate there were 87,682 closures during these 5 years (Figure 1). Due to several exclusions to the population outlined in this chapter, the *Life After Welfare* report includes a final population of **44,869** case closures (Figure 1).

Exclusions—Churners

The *Life After Welfare* studies focus on the families who left the TCA program, as determined by case closures. Specifically, **this study defines a case closure as a case that maintained at least a 2-month break in TCA benefits after closure.** As a result, the study excludes churners. Churners are cases that close and reopen quickly (Appendix B), and they typically have unique characteristics. These cases often close because an adult missed an agency appointment, failed to submit required paperwork, or experienced some similar issue (Born et al., 2002; Hall & Passarella, 2020). In practice, once these issues are resolved, the case reopens, indicating that families still needed benefits and were not yet ready to make a permanent exit from the TCA program.

Exclusions—Duplicates

In addition to churners, this study also excludes duplicates. Families may experience multiple periods of benefit receipt and subsequently case closures as they strive to achieve economic stability. While this study examines the duration of TCA receipt across all instances of benefit receipt, only one closure per family is included in the population. If a family had multiple closures between SFYs 2020 and 2024, or if adult case members appeared on more than one case during this specified study period, the authors randomly selected a single closure for inclusion and removed duplicates from the population.[5]

Exclusions—Data Discrepancies

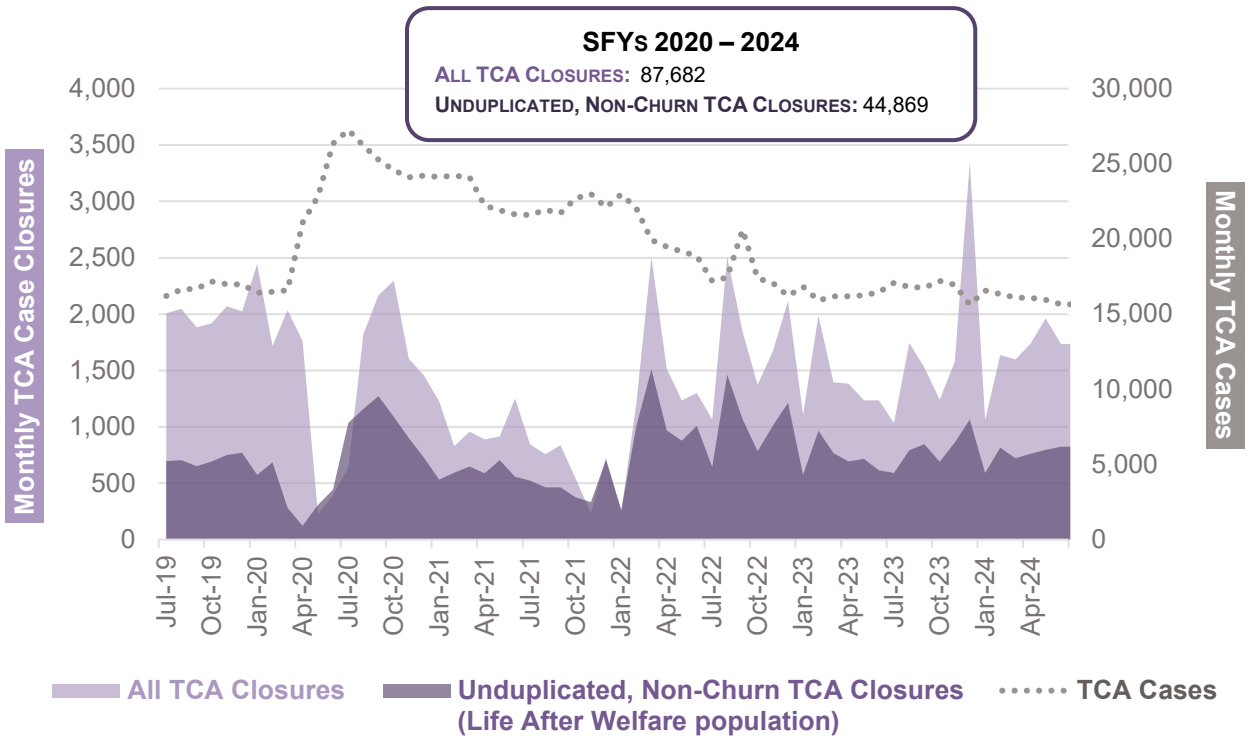
Finally, this study excludes closures with issues in the administrative data system during the closure month. This includes cases with incomplete information regarding case members or the head of household, as well as cases with duplicate eligibility information. Typically, data discrepancies are resolved within the data system. However, since the data could not be verified in the observation month, the *Life After Welfare* population excludes these case closures. This study also excludes cases in which: (1) the case had no head of household or no other case members (which is likely a data error); (2) the case's

[4] Appendix A provides a table that describes how the population and sample for the *Life After Welfare* study have changed over time.

[5] There are a handful of adult recipients who are represented in the population more than once. This can happen when an adult is a member on more than one case during the study period and both cases are randomly selected for inclusion. This can also happen when an adult closes their case, and the case is reopened under a different case number. Data cleaning procedures capture most of these duplicates.

head of household was younger than 16 years old at the time of case closure; or (3) the case had a closure reason that did not indicate a closure (e.g., TCA application opened in error).

Figure 1. Monthly TCA Cases & Closures, SFYs 2020-2024



Note: Monthly estimates of TCA cases and all case closures come from MDHS, FIA data: https://dhs.maryland.gov/business-center/documents/data-and-reports/. Unduplicated, non-churn data are based on the authors' analysis.

Cohorts for Analysis: State Fiscal Years

In previous years, the *Life After Welfare* series separated closures into cohorts based on changes to the economy or the policy landscape. For the 2025 update, this study segments TCA closures by SFYs in an effort to provide utility to state-level partners who operate under SFYs. This study includes the 5 most recent years of caseload exits shown in Table 1 and Figure 1, including:

- **SFY 2020:** families who exited between July 2019 and June 2020, encompassing the months prior to and the initial months of the pandemic when unemployment (BLS, 2025) and TCA caseloads reached historic highs;[6]
- **SFY 2021:** families who exited between July 2020 and June 2021, during the height of the pandemic and early recovery;
- **SFY 2022:** families who exited between July 2021 and June 2022, during the recovery from the pandemic and end of some pandemic-era program flexibilities;
- **SFY 2023:** families who exited between July 2022 and June 2023, a period of lower TCA caseloads and low unemployment; and
- **SFY 2024:** families who exited between July 2023 and June 2024, the most recent SFY with follow-up data available and a period of consistently low TCA caseloads—including the period of record-breaking low TCA caseloads[7]—and low unemployment.

Table 1. Counts of Exiting Cases and Adult Recipients

State Fiscal Year	*Number of exiting* Cases	*Number of exiting* Adult Recipients	Monthly Unemployment Rate Range
SFY 2020 *(July 2019 – June 2020)*	6,677	5,577	3.4 – 9.0%
SFY 2021 *(July 2020 – June 2021)*	9,810	9,263	5.6 – 7.9%
SFY 2022 *(July 2021 – June 2022)*	8,511	8,100	3.0 – 5.3%
SFY 2023 *(July 2022 – June 2023)*	10,512	9,946	1.9 – 3.0%
SFY 2024 *(July 2023 – June 2024)*	9,359	9,573	2.0 – 3.1%
Total *(July 2019 – June 2024)*	**44,869**	**42,459**	**1.9 – 9.0%**

Note: Exiting cases represent unique, non-churn cases and adult recipients on those cases. If a case or adult recipient experienced more than one non-churn closure between SFYs 2020 and 2024, one of the closures was randomly selected for inclusion in the population. Adult recipient counts represent the total number of adult recipients on exiting cases in the *Life After Welfare* population. Seasonally adjusted unemployment data represent the lowest and highest unemployment rates in the specified SFY. These data come from BLS's Local Area Unemployment Statistics table: https://www.bls.gov/lau/latest-numbers.htm

[6] Analysis not shown and based on authors' analysis of FIA statistical reports.

[7] Analysis not shown and based on authors' analysis of FIA statistical reports.

As Figure 1 shows, generally, between 1,000 and 2,500 cases close every month. One exception to this general trend is during the pandemic when there were periods in which FIA administered automatic redeterminations of TCA benefits. These automatic redeterminations allowed families to continue benefit receipt without submitting redetermination paperwork (FIA, 2021c). Automatic redeterminations briefly lapsed in the summer of 2020 before returning, and then fully expired in December 2021 (FIA, 2021b). In each of these instances, there was a sharp increase in case closures followed by a return to the standard peaks and valleys of case closures consistent with the pre-pandemic context (Smith et al., 2022; Smith et al., 2025).

A second exception to the general case closures trend is the sharp increase in closures in December 2023. This spike in case closures coincides with the implementation of administrative system enhancements, which changed procedures for families who reached the 60-month time limit without qualifying for the hardship exemption (FIA, 2023a). These changes triggered closures for families who had exceeded the benefit time limit and did not have a hardship exemption documented in the administrative system. In fact, approximately three out of every 10 (28%) non-churn cases that closed in December 2023 closed due to reaching the maximum benefits allowed in Maryland.[8]

Exclusions from Analyses

Sections of this report exclude cases and individuals from some analyses. This section outlines the most common reasons for exclusions. First, some information, such as a case closure reason or educational attainment information, may be missing from the administrative data. In these instances, the authors report valid percentages to account for missing data. Second, employment analyses exclude adult recipients who were missing identification information because it is not possible to obtain their employment data (n=628). Third, employment analyses also exclude adult recipients younger than 16 from pre-TCA spell analyses (n=76). However, all other employment analyses include these recipients. Lastly, the population size decreases when examining post-exit outcomes due to the limited availability of follow-up data. For this update, program participation and employment follow-up data were available through December 2024. Cases that closed between January and June 2024 for example, did not have 1 year of follow-up at the time of data retrieval. Therefore, analyses that require 1 year of follow-up exclude these cases and recipients. Appendix C provides employment data availability as of April 2025 when data were retrieved. Appendix D provides, by SFY, two tables that together illustrate (1) the total count of cases that had participation data available each follow-up year; and (2) the total count of adult recipients who had employment data available.

Data Sources

This study draws on administrative data extracted from relational database management system maintained by the Maryland state government. These data are collected primarily for program operations—not for research—which introduces unique complexities not found in other types of data (Connelly et al., 2016). For example, data quality is influenced by frontline program

[8] Analysis not shown. Importantly, this percentage is an *estimate.* As described earlier in this chapter, the *Life After Welfare* population excludes duplicate closures and churners. If the population included all churners and duplicate cases, the percentage of cases that closed for this reason would likely be higher.

staff data entry practices and availability of important metadata, such as clear data definitions (Allard et al., 2018). For this study, demographic and program participation data were extracted from the E&E system and its predecessor, CARES, while information on child support orders and payments came from CSMS and its predecessor, CSES. Both administrative data sources are part of Maryland Benefits, a cloud-based platform for integrated data.[9] Notably, the Maryland Benefits platform was designed using an agile software development lifecycle. This means that parts of the systems are still being enhanced and developed, and consequently, the administrative data fields, tables, and systems can change and evolve. Additionally, data within the administrative systems can change. All data in *Life After Welfare* are administrative data and are subject to these limitations.

In addition to demographic and program participation data, this study incorporates employment and earnings data from BEACON and its predecessor, MABS. SSI data were obtained through a data exchange with the SSA. Finally, MA data come from the Maryland Health Benefit Exchange system.

E&E & CARES

E&E and CARES are the administrative data systems for safety net programs managed by MDHS. CARES was operational between March 1998 and November 2021. The migration to E&E occurred between April and November 2021.[10] Both E&E and CARES provide individual and case-level program participation data for TCA, SNAP, and other services as well as demographic data on participants. Certain demographic data in this report reflect the limited nature of the administrative data systems (e.g., gender is a binary field). Race (e.g., Black, White) and ethnicity (i.e., Hispanic/Latinx) data represent individuals who self-identify or for whom case managers assign a race and ethnicity (FIA, 2008). This report uses the combined non-gendered term Hispanic/Latinx in place of Hispanic or Latino to be inclusive.

BEACON & MABS

Data on quarterly employment and earnings as well NAICS codes (i.e., industries) come from the BEACON and MABS systems. BEACON became the fully modernized unemployment insurance system in September 2020. These data include all employers covered by the state's UI law and the UCFE program. Together, these account for approximately 91% of all Maryland civilian employment. Adults engaged in alternative work arrangements, including independent contractors, gig-workers, commission-only salespeople, some farm workers, members of the military, most employees of religious organizations, and self-employed individuals are not covered by the law and, consequently, are not represented in the employment data. Additionally, informal jobs in which individuals and their employers do not report earnings to the government for income tax purposes (Nightingale & Wandner, 2011) are not covered. Despite limitations, empirical studies suggest that UI earnings are actually preferred to other types of data in understanding the economic well-being of welfare recipients (Kornfeld & Bloom, 1999; Wallace & Haveman, 2007).

The BEACON and MABS systems only track employment in Maryland. The state shares borders with Delaware, Pennsylvania, Virginia, West Virginia, and the District of Columbia, so out-of-state

[9] Prior to July 2025, Maryland Benefits was MD THINK (Maryland Department of Information Technology, 2025).

[10] Given the transition to a new data system, there may be unknown data issues. Hence, comparisons with previously reported data should be interpreted with caution.

employment is common. The percentage of out-of-state employment by Maryland residents (13%) is over four times greater than the national average (3%).[11] Among adult TCA recipients in the state, however, out-of-state employment is less common, and previous investigations indicate that we obtain accurate statewide employment estimates even when excluding out-of-state data. Nonetheless, we may underestimate employment participation at the jurisdictional level. Out-of-state employment is common in two populous jurisdictions, Prince George's County (33%) and Montgomery County (19%), which have the 3rd and 5th largest TCA caseloads in the state. It is also high in two less-populated jurisdictions, Charles County (29%) and Cecil County (26%). These four jurisdictions may be especially affected by the exclusion of out-of-state employment data. As a result of Maryland's higher rates of out-of-state employment and the data limitations described, it is important to regard employment data as representing *minimum* levels of employment.

Since UI earnings data are reported on an aggregated, quarterly basis, we do not know, for any given quarter, how much of that time period the individual was employed (i.e., how many months, weeks, or hours). Thus, it is not possible to compute or infer hourly wages or weekly or monthly salaries from these data. It is also important to remember that the earnings figures reported do not necessarily equal total household income; we have no information on earnings of household members who are not members of the TCA case, and we do not have data about all sources of income.

CSMS & CSES

CSES was the statewide automated information management system for Maryland's public child support program beginning in March 1998. Maryland migrated jurisdictions to a new data system, CSMS, between November 2021 and September 2022. Both systems support the intake, establishment, location, and enforcement functions of CSA and contain identifying information and demographic data on children, obligors, and custodians receiving services from the IV-D agency.[12] Data on child support cases and court orders including paternity status and payment receipt are also available.

SSI Extract

Through a state data exchange, MDHS receives an extract of data related to SSI applications, denials, and payments from the federal SSA. This extract was used to determine whether any individuals received SSI payments. SSI is a federal program that provides monthly cash payments to low-income adults and children who are disabled or blind. In order to receive assistance, adults and children must prove that (a) they have limited income and resources and (b) their disabilities are serious and long-term.

Medical Assistance

MA enrollment data for Maryland Medicaid and the Maryland Children's Health Insurance Program (CHIP) (together referred to as Medical Assistance) are maintained in the Maryland Health Benefit Exchange system by MDH. Data for this report were provided by MDHS through a data-sharing agreement between MDH and MDHS.

[11] Data were obtained from the U.S. Census Bureau website (data.census.gov) using the 2019–2023 American Community Survey 5-Year Estimates for Commuting Characteristics by Sex (S0801).

[12] The public child support program is authorized under Title IV-D of the Social Security Act and is often referred to as the IV-D program.

Data Analysis

In this report, we utilize descriptive statistics to describe the cases and experiences of the population of families who left TCA within the study period. In previous iterations of this report, which relied on a sample of leavers, we additionally utilized inferential statistics, such as the Pearson's chi-square statistic and ANOVA, as well as p-values, to compare differences between groups and demonstrate whether differences were statistically significant. Inferential statistics are not needed for analyses of populations.

Common descriptive analysis used in this report includes mean values, which is the mathematical average of a set of numbers, and median values. A median value is the middle point of a distribution organized from lowest to highest. Extreme values do not affect the median, which is why it is sometimes preferred over the mean. Finally, as described earlier in this chapter, this report utilizes valid percentages, which is a percentage that excludes missing data from the calculation of categorical distributions and averages.

CHARACTERISTICS OF EXITING CASES & RECIPIENTS

For nearly 30 years, *Life After Welfare* reports have explored the characteristics of families leaving TCA. The earliest reports provided novel examinations of the characteristics of adults whose cases closed,[13] and since, has continued to provide this information with some changes and additions over the years. Over the last two decades, there has been a lot of overlap in the descriptions of the active caseload[14] and the exiting caseload: in other words, descriptions of families who were *leaving* TCA were very similar to families who had *received* TCA. When embarking on the 30th edition of the report, the authors gave consideration to these annual analyses and the purposes they serve. To that end, this first findings chapter explores why TCA cases closed, the families and recipients on closed cases, and their histories with the TCA program. It also begins to answer the question: which families are over- and underrepresented in the exiting caseload compared to the active caseload?

The analyses in this chapter serve two purposes. First, they offer a description of the exiting caseload, which can provide a foundational context that may be helpful for understanding barriers and post-exit outcomes such as employment and participation in other safety net programs. Second, when appropriate, this chapter provides comparisons between the exiting caseload and active cases in the same fiscal year using a *representation ratio*, which is further described in the callout on p. 14 and in the *Recipients on Exiting Cases* section. The representation ratio highlights disproportionalities in exits, which can inform targeted interventions and further analysis.

Case Closure Reasons, SFYs 2020 to 2024

For families receiving TCA, the end of benefit receipt can occur for many reasons, some voluntary and some involuntary. These exits reflect a mix of policy-driven processes (e.g., time limits or submitting documentation) as well as changes in individual circumstances (e.g., changes in income or family composition). This section utilizes administrative data to explore why families' TCA cases closed. Although not a thorough understanding of the *why*, administrative data can still elucidate family circumstances that lead to exit and help identify patterns. Table 2 provides the most common closure reasons for families who exited between SFYs 2020 and 2024. Cases can have multiple closure reasons documented in the administrative data; therefore, the columns in Table 2 do not add to 100%.

Over time, the most common reason families have exited the TCA program is due to their income exceeding eligibility limits. Income can include *earned* income, such as wages from employment, as well as *unearned* income, such as disability or child support payments. In 2024, nearly two in five (38%) TCA cases that closed did so because case members' incomes exceeded eligibility limits. This was an increase over 2022 (31%) and 2023 (33%). Given that this closure reason includes unearned income, the unusually high percentage of income above limit closures in 2021 (41%) is likely a reflection of pandemic-era UI expansions that occurred during this period, which TCA recipients utilized (Smith et al., 2025). In fact, a previous investigation found that between April 2020 and December 2021, about one in five exiting families had an

[13] See Welfare & Child Support Research and Training Unit, 1997; Welfare and Child Support Research and Training Group, 1998, 1999a and 1999b.

[14] The active caseload refers to cases that received benefits in a specified time period. For more information, refer to the *Life on Welfare* series published by the UMSSW.

CASE CLOSURE REASON DEFINITIONS

- **Child support sanction:** Family did not comply with the child support process required to maintain TCA benefits or did not have a good cause waiver. State legislation mandated that child support sanctions should no longer result in case closure effective December 2021.
- **Customer requested closure:** Family elected to discontinue TCA benefits.
- **Did not maintain eligibility:** Family did not submit required documents or other information regarding eligibility, or did not comply with the eligibility process, such as compliance with their Family Independence Plan.
- **Did not reapply:** Family did not recertify their eligibility for TCA when required, did not provide documents specific to recertifying benefits, or missed the redetermination appointment.
- **Income above limit:** Family's income from employment or unearned income from child support, disability payments, Unemployment Insurance, or other sources exceeds the income eligibility requirements.
- **Ineligible:** Family did not meet the TCA program's eligibility criteria, such as a deceased head of household or no dependent children.
- **Work sanction:** Work-eligible adult recipient(s) on a case did not participate in the approved work activities required to maintain TCA benefits. State legislation mandated that work sanctions should no longer result in case closure effective January 2022.

Legislation reference for sanctions: *H.B.1313, 2020*

Effective date reference for sanctions: *FIA, 2021a*

adult who received UI after exit (Smith & Passarella, 2023a).

An additional nearly two in five cases in 2024 closed because the family did not reapply (21%) or did not maintain eligibility (17%).[15] The former closure reason can include situations in which the family did not reapply for TCA benefits at the time of recertification, did not provide recertification documents, or did not attend their recertification interview. The latter reason is more specific to not providing information related to eligibility. Specifically, it can include not providing appropriate documentation (e.g., paystubs), failing to give necessary information, or otherwise not cooperating with the eligibility process (e.g., not cooperating with the Family Independence Plan [FIA, 2022c]). The nearly one in five families who did not continue receiving benefits due to not maintaining eligibility may point to an opportunity for exploring how to reduce families' administrative burdens.[16] This may be especially important given that cases that close for this reason are more likely to return in the 1st year after exit than cases that closed for other reasons.[17]

The third most common reason for case closure in 2024 was ineligibility. This closure description can include a variety of closure reasons, including no eligible members on the case, not meeting residency requirements, being unable to locate the recipient, and reaching the maximum allowable cash benefits (i.e., the time limit). One in five (20%) cases were ineligible in 2024, double the percentage in 2023 (10%).

This large increase in case closures due to ineligibility is driven entirely by an increase in cases closing due to receiving the

[15] In SFY 2023, 35% of non-churn cases closed because the family did not reapply. This spike is likely related to redeterminations that were required after the final 1-year extension for cases due for redetermination in September-December 2021 (FIA, 2021b).

[16] Administrative burden refers to the complexities of navigating bureaucratic processes that ultimately hinder a family's access to the safety net.

[17] Analysis not shown.

maximum TCA benefits in Maryland. Although not shown, if one *excludes* the cases that closed because they received the maximum benefits, the percentage of 2024 cases that closed due to ineligibility is only 11%, similar to 2023. As described in the *Methods* chapter, this increase in closures due to receiving the maximum benefits is the result of the implementation of administrative system enhancements and procedures for cases that are approaching or have exceeded the 60-month time limit.[18] These changes—such as reinforcing that cases without a documented hardship exemption must close when they reach 60 months of receipt—led to a sharp increase in case closures in December 2023 when changes took effect (see FIA, 2023a). This sharp increase led to a temporary increase in cases that closed due to ineligibility. Given that very few cases ultimately exceed the time limit (Hall et al., 2020), and the reinforcement of the policy led to a spike in closures for a single time point, the percentage of cases that close due to ineligibility will likely decrease in the future.

The remaining closure reasons shown in Table 2 accounted for 5% of SFY 2024 case closures, including the customer requested closure (4%) and other closing codes not shown in the table (1%). In addition, although rare, child support sanctions resulted in case closures in both SFY 2023 (n=18) and 2024 (n=26).

While FIA policy permits denying the TCA application for noncompliance with CSS (FIA, 2022b), it does not permit a case closure (see FIA, 2021a). According to policy, a 30-day conciliation is required for each instance of noncompliance with the child support process (FIA, 2021a). If the adult member remains noncompliant after the conciliation period ends, MDHS reduces the TCA grant amount by 25%. It is unclear why child support sanctions resulted in case closures in SFYs 2023 and 2024. This may present an opportunity to clarify policy or explore the issue further in future investigations.

Table 2. Case Closure Reasons: Trends by SFY

	2020	2021	2022	2023	2024
Income above limit	29%	41%	31%	33%	38%
Ineligible	17%	14%	19%	10%	20%
Did not reapply	7%	14%	22%	35%	21%
Did not maintain eligibility	19%	16%	21%	18%	17%
Customer requested closure	6%	4%	5%	4%	4%
Child support sanction	5%	9%	1%	0%^	0%^
Work sanction	18%	2%	0%^	0%	0%
All other closing codes	1%	1%	2%	1%	1%

Note: Cases may have multiple closure reasons listed. As a result, percentages do not add to 100%. Due to a change in methodology, these analyses are not comparable to prior *Life After Welfare* reports. ^Percentages less than 0.5% are rounded to zero. There were 18 child support sanctions that resulted in case closure in SFY 2023 and 26 in SFY 2024.

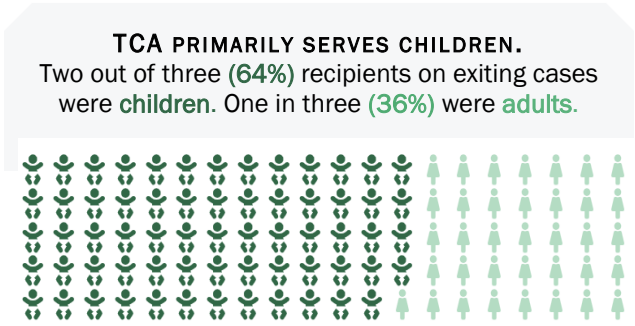
[18] In December 2023, MDHS implemented administrative system enhancements, which changed procedures for families who reached the 60-month time limit without qualifying for the hardship exemption (FIA, 2023a). These changes triggered closures for families who had exceeded the benefit time limit and did not have a hardship exemption documented in the administrative system.

Recipients on Exiting Cases, SFY 2024

The TCA program provides cash benefits to households (i.e., cases) with children. Households can be comprised of both recipients (i.e., individuals who meet eligibility criteria and are included in the calculation of the cash payment) and non-recipients (i.e., individuals who do not meet eligibility criteria and are excluded from the calculation of the cash payment). Similar to the active caseload, a majority (87%) of 2024 exiting households had two or more recipients who met eligibility criteria (Table 3).

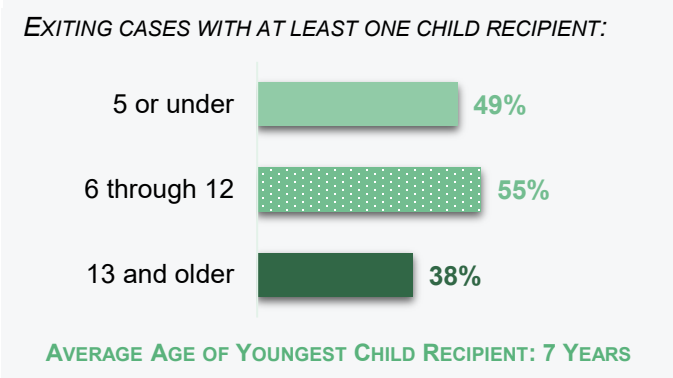
The primary recipients of TCA, though, are children. In fact, approximately two out of every three (64%) recipients who exited TCA were children (Figure 2). Half (49%) of cases that closed in 2024 had a child recipient age 5 or younger, and just over half (55%) had a child that was between the ages of 6 and 12 (Figure 3). The average age of the youngest child on a case was 7 years old.

Figure 2. Recipients on Exiting Cases, SFY 2024



Given the ages of children on exiting cases, and that half (50%) of exiting families had multiple children on their case (Table 3), these families likely have child care or before and after school care needs. Difficulties in securing reliable child care is a barrier to employment and has become a national crisis (Peusch, 2024). Between 2020 and 2024, Maryland experienced a nearly 16% decline in licensed child care providers. This decrease was largely driven by closures of licensed family care providers who are a critical resource for lower-income residents (Comptroller of Maryland, 2024).[19] Additionally, Maryland has high child care costs relative to other states and is also facing rising expenses for providers (Comptroller of Maryland, 2024).

Figure 3. Ages of Exiting Child Recipients, SFY 2024



As Maryland continues to work to address child care challenges, one potential resource for families leaving TCA is CCS, which assists eligible families in Maryland in paying for child care and early education programs through the provision of scholarships (Division of Early Childhood, n.d.). Families receiving TCA and transitioning off of TCA have priority over other children for CCS and are not subject to the recent CCS enrollment freeze (Ford, 2025). However, MSDE does not guarantee that TCA families will receive the scholarship (Todd et al., 2025, Table 22).

Although most (94%) households that exited TCA had at least one child recipient, 6% had no children on the case (Table 3). Households without a child recipient on the case typically include either a pregnant head-of-household, or a child who is

[19] Common reasons family care providers are leaving the industry include low and unstable income, long hours, burnout, and feeling unsupported (Banghart et al., 2024).

Representation Ratio
Leavers' Representation of the Total TCA Population

≈ Approximately Equal
⬇ Underrepresented
⬆ Overrepresented

Rationale

Maryland has a rich history of annually describing the families who participate in the TCA program (*Life on Welfare* series) and families who leave the TCA program (*Life After Welfare* series). Generally, the characteristics of the families who leave TCA each year are similar to the characteristics of the families who received TCA each year. The description of who *exited* TCA during each SFY can be best understood in the context of who *received* TCA during that same SFY.

To provide stakeholders with additional valuable information, this chapter compares adult *leavers/exiting cases* in SFY 2024 to adult *recipients/active cases* in the same year. Specifically, we utilize a *Representation Ratio* to determine if certain demographic or case characteristics are over- or underrepresented in the exiting caseload, relative to their representation in the active caseload.

Calculation

We calculate the *Representation Ratio* by dividing the percentage of leavers with a given characteristic by the percentage of active recipients with that same characteristic, within the same SFY. For example, in SFY 2024, **20%** of adult TCA *leavers* did not have a high school diploma; **23%** of adult TCA *recipients* also did not have a high school diploma. The *Representation Ratio* is calculated as:

$$\frac{20\%}{23\%} = 0.91$$

This metric indicates if leavers who have certain characteristics are over- or underrepresented in the exiting population.

Interpretation

Typically, *Representation Ratios* equal to 1.00 suggests a proportional representation: in other words, the characteristic is equally common in both the exiting and active population. Ratios below 1.00, then, typically indicate that the characteristic is underrepresented among leavers, while ratios above 1.00 typically indicate that the characteristics is overrepresented among leavers.

To focus on the most meaningful differences, we interpret *Representation Ratios* between 0.90 and 1.10 as indicating approximate parity (**approximately equal ≈**) between leavers and recipients in a given SFY. Therefore, *Representation Ratios* below 0.90 indicate that leavers are **underrepresented ⬇** in the exiting population, while *Representation Ratios* above 1.10 indicate that leavers are **overrepresented ⬆** in the exiting population.

These *Representation Ratios* do not control for other factors that can influence TCA exit, which is a limitation. However, they do offer a concise, visual snapshot of which characteristics are over- or underrepresented in the exiting population based on their representation in the recipient caseload. This provides stakeholders with opportunities to identify patterns over time and could identify avenues for further analysis.

financially ineligible for TCA benefits because they receive disability payments, subsidized adoption, or foster care payments. Notably, households without child recipients were *overrepresented* among cases that closed. This finding is based on the *representation ratio*, which is a comparison between the exiting caseload and the active caseload. Specifically, the representation ratio reflects the proportion of a specific group of leavers relative to the active caseload and can help identify under- and overrepresentation. As shown in the callout on p.14, a representation ratio above 1.10 indicates overrepresentation, while a ratio below 0.90 indicates underrepresentation. Importantly, the representation ratios do not control for factors that may influence TCA exit, such as labor market indicators or barriers to exit.

Table 3. Recipients per Case: Exiting vs. Active Cases, SFY 2024

	SFY 2024 Exiting Cases *(n=9,359)*	SFY 2024 Active Cases *(n=24,429)*	Representation Ratio	
Total Number of Recipients	*%*	*%*	*Representation*	*Ratio*
1 recipient	13%	15%	Equal ≈	0.90
2 recipients	35%	35%	Equal ≈	1.02
3 recipients	26%	25%	Equal ≈	1.01
4+ recipients	26%	25%	Equal ≈	1.02
Number of Child Recipients	*%*	*%*	*Representation*	*Ratio*
No children	6%	4%	Over ↑	1.42
1 child	44%	43%	Equal ≈	1.03
2 children	27%	28%	Equal ≈	0.96
3+ children	23%	25%	Equal ≈	0.92
Number of Adult Recipients	*%*	*%*	*Representation*	*Ratio*
No adults	13%	20%	Under ↓	0.67
1 adult	72%	69%	Equal ≈	1.04
2+ adults[+]	15%	11%	Over ↑	1.38

Note: Cases with no children typically include pregnant head-of-household; otherwise, the child on the case receives disability, subsidized adoption, or foster care payments. [+]In SFY 2024, 23 exiting cases had more than two adult recipients and 19 active cases had more than two adult recipients. See p.14 for calculation of representation ratios.

As mentioned in the previous paragraph, households without child recipients were overrepresented in the exiting caseload. This may reflect unique recertification barriers faced by pregnant heads-of-households or families with children who are otherwise ineligible. It may also reflect transitions within the household, such as older children aging out of eligibility. In this case, the data might show zero children and a subsequent case closure. This can also happen if the older child on the case does not meet school attendance requirements. Policy directs case managers to "close the case after timely and appropriate adverse action if the 18 or 19-year-old child is the only eligible child on the TCA case" (FIA, 2023c, p.4). Given that TCA supports families with children, the absence of an eligible child naturally leads to program exit.

In addition to the children on the case, the majority (87%) of exiting cases had at least one adult recipient on the case, similar to the active caseload. Cases with two or more adults were overrepresented among exiting

cases, with a representation ratio greater than 1.10. One reason multiple adult households may be overrepresented is because there are more potential sources of income, which pushes the family closer to exceeding eligibility thresholds. Research shows that employment reduces poverty principally for two-parent families with two earners (Maldonado & Nieuwenhuis, 2015). Although not shown, half (51%) of cases with two adults closed because their income was over the eligibility limit.

Unsurprisingly, cases with no adults receiving TCA were underrepresented in the exiting caseload, with a representation ratio less than 0.90. Cases with no adult recipients typically include at least one child who is eligible for the TCA benefit, but the child resides with an adult who is *in*eligible. This can include households in which: (a) a child resides with relatives who are themselves ineligible for TCA; (b) the parents receive SSI or SSDI, which makes them ineligible for TCA; (c) the parents are immigrants who do not meet eligibility requirements; or (d) an adult is ineligible for other reasons such as non-cooperation with the substance use program (FIA, 2023d). These cases have spells[20] that last three times longer, on average, than cases with adult recipients. They are also less likely to cycle on and off of the program (Passarella, 2018).

Characteristics of Adult Recipients, SFY 2024

Although children overwhelmingly make up the exiting caseload because they are the primary recipients of TCA, Figure 2 showed that one in three (36%) exiting recipients were adults. Adult recipients are a focus of the TCA program given that a core purpose of TANF is to promote self-sufficiency through adults' job preparation (PRWORA, 1997). Therefore, Table 4 provides descriptive information about adult recipients and also demonstrates if certain groups of recipients were over- or underrepresented in the exiting caseload.

Overall, Table 4 shows that adult recipients who *exited* TCA in SFY 2024 were very similar to the overall profile of those who *received* TCA in 2024. The majority of leavers were Black (63%) or White (23%) women (81%) who had never married (72%) and were 35 years of age, on average. In addition, a majority (80%) had finished high school, were work eligible (83%), and most (93%) did not have a long-term disability.

A few demographic groups, though, were under- or overrepresented in the exiting population, with representation ratios less than 0.90 or greater than 1.10, respectively (Table 4). Although it is beyond the scope of this study to identify causal reasons these groups are under- or overrepresented, previous research, coupled with the administrative data, provides some additional context. For example, recipients between the ages of 21 and 29 were underrepresented in the SFY 2024 exiting caseload (Table 4). These adults are very early in their professional lives, which impacts their potential earnings (Gabe, 2025). Moreover, they may still be participating in education or training programs.

Adult recipients on work-exempt cases were also underrepresented. Families receiving TCA receive a caseload designation of work-eligible or work-exempt that identifies which adults are required to comply with work requirements of the TCA program. Work-exempt cases include child-only cases, in which there are no adult recipients on the case, cases in which an adult is caring for a disabled household member,

[20] A TCA spell is the consecutive months of TCA benefit receipt between an application and case closure.

Table 4. Demographics of Adult Recipients on Exiting vs. Active Cases, SFY 2024

	SFY 2024 Exiting Recipients *(n=9,573)*	SFY 2024 Active Recipients *(n=24,429)*	Representation Ratio	
Gender	*%*	*%*	*Representation*	*Ratio*
Female	81%	84%	Equal ≈	0.96
Male	19%	16%	Over ↑	1.21
Race/Ethnicity	*%*	*%*	*Representation*	*Ratio*
Asian^	5%	5%	Equal ≈	0.99
Black^	63%	66%	Equal ≈	0.96
Hispanic/Latinx	5%	5%	Equal ≈	1.05
Indigenous Peoples^†	0.79%	0.66%	Over ↑	1.19
White^	23%	21%	Equal ≈	1.09
Other^	4%	3%	Over ↑	1.25
Marital Status	*%*	*%*	*Representation*	*Ratio*
Never married	72%	77%	Equal ≈	0.93
Married	18%	12%	Over ↑	1.42
Previously married⁺	10%	10%	Equal ≈	1.00
Age	*%*	*%*	*Representation*	*Ratio*
20 or younger	4%	2%	Over ↑	1.63
21 to 24	7%	8%	Under ↓	0.84
25 to 29	16%	19%	Under ↓	0.85
30 to 34	26%	27%	Equal ≈	0.97
35 & older	48%	44%	Equal ≈	1.08
Average	35	35	--	--
Highest Education Level	*%*	*%*	*Representation*	*Ratio*
Did not finish high school	20%	23%	Equal ≈	0.91
Finished high school#	80%	77%	Equal ≈	1.03
> High school only	68%	65%	Equal ≈	1.04
> Postsecondary education	11%	12%	Equal ≈	0.93
Work Eligibility*	*%*	*%*	*Representation*	*Ratio*
Work-Eligible	83%	78%	Equal ≈	1.06
Work-Exempt	17%	22%	Under ↓	0.77
Disability Status‡	*%*	*%*	*Representation*	*Ratio*
Long-term disability	7%	12%	Under ↓	0.56
No long-term disability	93%	88%	Equal ≈	1.06

Note: Gender, race, and ethnicity categories come from predetermined fields in the state administrative database. ^Non-Hispanic/Latinx. †Indigenous Peoples includes individuals who identify as Native American, American Alaska Native, Native Hawaiian, or other Pacific Islander. ⁺Previously married includes individuals who are divorced, separated, or widowed. #General Education Development Program (GED) certificates are included in high school completion rates. *Work eligibility is based on the case, not the individual recipient. ‡On exiting cases, an adult recipient is classified as disabled if they had a documented long-term disability (i.e., 12 months or more) at any point in the year prior to their exit. Comparatively, on active cases, adult an adult recipient is classified as disabled if they had a documented long-term disability at any point in the SFY. Percentages may not add to totals due to rounding. See p.14 for calculation of representation ratios.

and cases in which the family qualifies for the federal work exemption for caring for a child under 1 year of age.[21] Cases without an adult recipient, such as someone caring for a relative child, or work-exempt cases, such as those caring for a disabled household member, have longer spells of TCA receipt and are also less likely to cycle on and off of the program (Passarella, 2018).

The final group of recipients who were underrepresented in the exiting caseload were adult recipients with a long-term disability documented in the administrative data. This is intuitive: recipients with a long-term disability have medically verified disabilities that are expected to last more than 12 months. As a condition of TCA receipt, recipients with a long-term disability must apply to the SSI program. This application process is tedious, and more than half of TCA recipients have to apply more than once (McColl & Nicoli, 2018), which likely decreases their likelihood of exiting TCA in a given year.

Table 4 also shows that a few demographic groups were overrepresented in the exiting population, with a representation ratio larger than 1.10, including men, married recipients, and recipients aged 20 or younger. One reason some groups may be overrepresented in the exiting population is that they are more likely to earn wages that place them above the income threshold. A second reason may be related to barriers to access or maintaining eligibility.

First, although the gender wage gap has narrowed in the last couple of decades, men still earn more than women, on average (Fry & Aragão, 2025). A primary driver for this gap is occupational segregation (Blau & Kahn, 2017), and research continues to find evidence of a motherhood penalty (i.e., discrimination against mothers in the labor market) in relation to earnings (Blau & Kahn, 2017; Kramer et al., 2016). Moreover, after controlling for demographic, human capital, and work-related variables, single fathers still earn more than single mothers (Kramer et al., 2016). Although not shown, male heads-of-households who left TCA in 2024 had a higher rate of closure due to income exceeding eligibility limits compared to women heads-of-households.

Interpreting Representation Ratios for Small Populations

Example: Indigenous Peoples

Representation ratios compare the share of a group in the exiting caseload to its share in the active caseload. **For small populations, these ratios can be especially sensitive.** When a group makes up a small portion of the overall caseload, even small changes in the number can produce a noticeable shift in percentages, resulting in a representation ratio that indicates over- or underrepresentation.

For example, although Indigenous Peoples make up 0.66% of the active caseload, they represent 0.79% of the exiting caseload. **This overrepresentation may reflect true disproportionality, but it is also influenced by the small size of the group, which amplifies percentage changes.** Findings based on small portions of the population should be interpreted with caution and highlight opportunities for additional analysis and investigation.

[21] For more information on work requirement exemptions, see section 401 of the TCA manual (FIA, 2023c).

Married heads-of-households—who were also overrepresented in the exiting caseload—also had higher rates of closure due to income exceeding eligibility limits.[22] This may reflect broader economic patterns: families with two parents have a lower risk of poverty, especially when both parents are employed (Maldonado & Nieuwenhuis, 2015). Even if only one partner works, if a male partner is employed, they may earn higher wages given men earn more than women, on average (Blau & Kahn, 2017), contributing to overrepresentation in the exiting caseload.

Second, some groups may be more likely to experience barriers to maintaining eligibility. For example, adult recipients who were 20 or younger and recipients who did not identify as Asian, Black, Hispanic, Indigenous, or White (i.e., those coded as *Other*) were overrepresented in the exiting caseload. Although not shown, recipients younger than 20 had higher rates of closure due to not maintaining eligibility, while recipients who were coded as *Other* races or ethnicities had higher rates of closure due to not reapplying. These findings might signal that these recipients are disproportionately impacted by administrative burdens of the cash welfare program.[23] Importantly, though, recipients classified as an *Other* race or ethnicity also had higher-than-average rates of closure due to income above limit: this, coupled with the higher rates of did not reapply, could indicate that these recipients left due to a positive change in financial circumstances, such as finding employment.

Regardless, these two groups of recipients—along with Indigenous recipients—make up very small portions of the active and exiting caseloads. The representation ratio is sensitive to smaller populations, as described in the callout on the previous page. For recipients who are part of smaller groups, then, it may be important to explore if overrepresentation is an ongoing trend over time rather than in a single year.

Residence of Families on Exiting Cases, SFY 2024

Maryland is a diverse state with 24 jurisdictions spanning the seasonal economies on the rural Eastern Shore to the sprawling urbanization of central Maryland to the rural western mountains. Each of these regions provide unique economic opportunities but also have unique challenges that low-income families face, including access to public transportation, mental health care resources, and quality jobs (see Schuyler et al., 2024). Most of Maryland's population live in five jurisdictions (Maryland State Data Center, 2024), which similarly have the highest TCA caseloads: Baltimore City, Prince George's County, Baltimore County, Montgomery County, and Anne Arundel County (Table 5).

Overall, the distribution of exiting cases across Maryland jurisdictions closely mirrored the distribution of active cases, with representation ratios between 0.90 and 1.10. One exception to this is Prince George's County, which was overrepresented in the exiting caseload relative to its share of active cases in 2024. A potential explanation is that recipients are facing unique barriers to eligibility. Over the past three SFYs, the percentage of Prince George's non-churn cases that closed for not maintaining eligibility requirements has increased eight-fold. This trend is not evident for any other jurisdictions. Specifically, only 5% of Prince George's

[22] Authors' analysis not shown.

[23] Recent research demonstrates case managers and other staff across LDSS offices face challenges serving recipients with limited English proficiency (Schuyler et al., 2024), who may be represented in the *Other* racial/ethnic category.

County exiting cases experienced closure for this reason in 2022, rising to 15% in 2023, and then to 34% in 2024.

The authors explored if this was relevant to the closure of pandemic-era cases given the disproportionate impact the pandemic had on Prince George's County (Hall, 2021a) and its increase in SNAP (Hall, 2021a) and TCA cases (Passarella & Smith, 2021). However, the majority (85%) of 2024 leavers in Prince George's County applied for TCA after the peak of pandemic's effects had subsided (i.e., in January 2022 or later). Upon further investigation, the authors found that this increase was driven by an increase in cases specifically closing for noncooperation with the eligibility process. According to policy guidance, one avenue for cases to close for this reason is for failure to comply with the Family Independence Plan (FIA, 2022c). This may help explain why Prince George's County is overrepresented in the SFY 2024 exiting caseload. However, it could also reflect other reasons cases close for noncooperation with the eligibility process. Overall, these findings may warrant further exploration to better understand how case closure reasons are applied and experienced.

Table 5. Residence of Families on Exiting vs. Active Cases, SFY 2024

	SFY 2024 Exiting Cases *(n=9,359)*	SFY 2024 Active Cases *(n=24,429)*	Representation Ratio
Jurisdictions with Highest TCA Caseloads	*%*	*%*	*Representation*
Baltimore City	25%	28%	Equal ≈ 0.90
Prince George's County	14%	12%	Over ↑ 1.11
Baltimore County	12%	12%	Equal ≈ 1.01
Montgomery County	7%	7%	Equal ≈ 1.00
Anne Arundel County	6%	6%	Equal ≈ 0.98
Regions	*%*	*%*	*Representation*
Metro MD Region *Carroll, Harford, Howard, & Frederick Counties*	10%	9%	Equal ≈ 1.10
Western MD Region *Garrett, Allegany, & Washington Counties*	8%	8%	Equal ≈ 0.93
Southern MD Region *Calvert, Charles, & St. Mary's Counties*	5%	4%	Equal ≈ 1.09
Upper Shore Region *Cecil, Kent, Queen Anne's, Caroline, & Talbot Counties*	5%	5%	Equal ≈ 1.05
Lower Shore Region *Dorchester, Worcester, Wicomico, & Somerset Counties*	8%	8%	Equal ≈ 1.08
Total	**100%**	**100%**	-- --

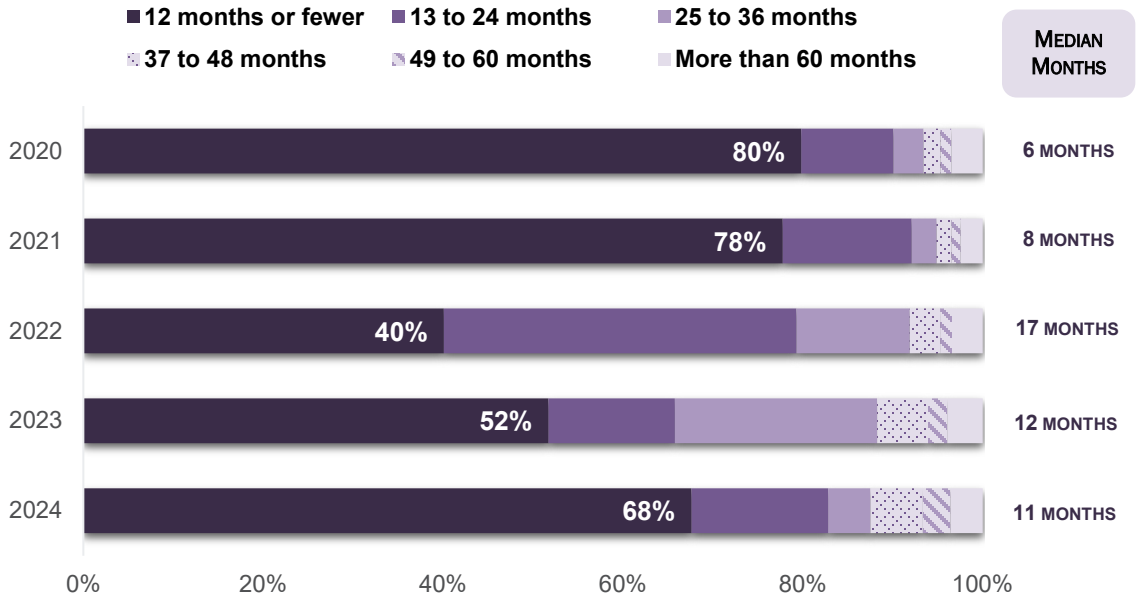
Note: Percentages may not add to 100% due to rounding. Due to a change in regional groupings, results for the Upper and Lower Shore regions are not comparable to previous reports. See p.14 for calculation of representation ratios.

Previous TCA Receipt, SFYs 2020 to 2024

The final characteristics this chapter explores are families' experiences with TCA prior to exit, including the length of their spells[24] before exit, whether this was their first experience with TCA, and their cumulative receipt in the previous 5 years. Previous *Life After Welfare* studies and *Life on Welfare* studies have consistently demonstrated that—outside of the pandemic—a majority of Maryland families utilize TCA as a short-term support. Taken together, Figures 4 and 5 and Table 6 provide additional evidence for this.[25]

Approximately two out of every three (68%) families who left TCA in SFY 2024 received TCA for 12 or fewer months before exiting (Figure 4), with a median of 11 months of receipt. Consistent with the period of economic stability in the late 2010s (Smith et al., 2024a), this percentage was higher in SFY 2020, with four out of five (80%) families experiencing a spell of 12 or fewer months (median=6 months).[26] In each of these 5 SFYs, spells longer than 12 months were less common. Appendix E provides percentages for each category by SFY.

Figure 4. Length of Consecutive Receipt (TCA Spell): Trends by SFY



Note: The length of the TCA spell is the difference between the date of TCA application and the date of TCA exit. See Appendix E for a table that provides precise distributions of consecutive receipt categories by SFY.

[24] The TCA spell is the consecutive months of TCA benefit receipt between the most recent application and case closure examined for this report.

[25] Families with longer-term program receipt have barriers that prevent them from achieving financial stability without TCA. For example, the probability of exceeding 5 years of receipt increases by nearly 70% if a disability is documented in the administrative data in the 1st year after TCA entry (Hall et al., 2020).

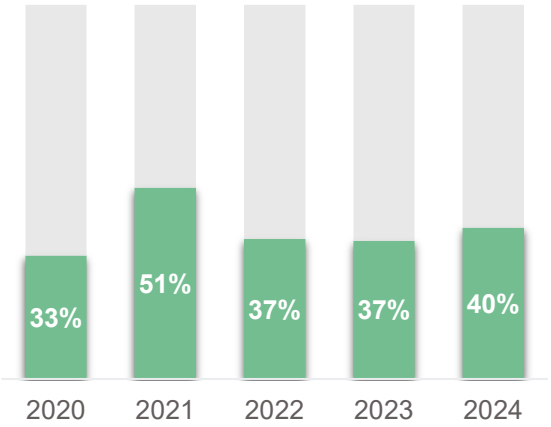
[26] SFY 2020 includes leavers between July 2019 and June 2020: therefore, the majority of the year encompassed pre-pandemic leavers.

In 2022, there was a sharp decrease in leavers with spells that lasted a year or less (40%). This is unsurprising given policy changes during this period, such as the end of automatic redeterminations. Automatic redeterminations permitted families to continuously receive TCA benefits without interruption, leading to longer spells. Although this policy change ended in December 2021 (FIA, 2021b), families due for recertification between July and December 2021 (in SFY 2022) had their recertification period automatically extended 12 months (FIA, 2021c): in practice, then, many pandemic-era families likely did not have a redetermination and opportunity for case closure until SFYs 2022 and 2023, a finding also supported by a recent examination of pandemic-era TCA entrants (Smith et al., 2025).

Figure 5 also provides evidence of the short-term utilization of the TCA program. Many families who left ended their very first spell of TCA receipt in Maryland. In 2024, two in every five (40%) families who left ended their first spell, similar to 2023 (37%) and 2022 (37%). Even in SFY 2020, which largely encompasses non-pandemic months, one in three (33%) exiting families ended their first spell. Between July and October of 2020 there was a temporary lapse in automatic redeterminations leading to a loss of TCA benefits (Office of Policy Analysis, 2021), which contributed to the increase in first-time exiters in SFY 2021. Most families must redetermine their eligibility every 12 months (FIA, 2022a) so it is likely that new recipients due for redetermination in the summer and early fall of 2020 were impacted by this, resulting in the end of many recipients' first TCA spells.

Finally, Table 6 shows the cumulative (i.e., total, non-consecutive) number of months exiting families received TCA. Examining cumulative months over a 5-year period offers a different perspective than consecutive months. This perspective is important given that families may cycle on and off of the program (Hall, 2021b; Wood et al., 2008).

Figure 5. Exit Ends First TCA Spell: Trends by SFY



Note: A TCA spell is a period of consecutive months during which families receive benefits without exiting the program. The 1st TCA spell is determined by the benefit history of all adult recipients on the case. If any adult recipient on the exiting case had prior consecutive TCA receipt, then the case is not coded as ending its 1st spell.

In 2024, approximately half (47%) of exiting TCA families had a year or less of cumulative receipt in the previous 5 years. The other half of families had between 1 and 5 years of receipt in the previous 5 years, though receipt for 4 to 5 years out of the last five was uncommon (13%). Overall, 2024 exiting families had a median of 15 months of receipt prior to exit. The previous receipt of 2024 leavers is very similar to the previous receipt of 2020 leavers (median months=14), suggesting a reversion to pre-pandemic trends and solidifying the unique experiences of families who left between SFYs 2021 and 2023.

Table 6. Cumulative Receipt in Previous 60 Months: Trends by SFY

	2020	2021	2022	2023	2024
1 Year or Less *12 or fewer months*	47%	59%	29%	36%	47%
1-2 Years *13 to 24 months*	21%	20%	34%	17%	17%
2-3 Years *25 to 36 months*	11%	7%	16%	24%	12%
3-4 Years *37 to 48 months*	8%	5%	8%	11%	11%
4-5 Years *49 to 60 months*	13%	9%	12%	11%	13%
Total	**100%**	**100%**	**100%**	**100%**	**100%**
Median Months	**14**	**11**	**21**	**22**	**15**

Note: Percentages may not add to 100% due to rounding.

EMPLOYMENT & EARNINGS

EMPLOYMENT ANALYSIS NOTES

As detailed in the *Methods* chapter, data in this chapter capture employment and earnings that are covered by UI in Maryland. All figures and tables provide valid percentages that account for missing data.

At the time of retrieval, follow-up employment data were available through December 2024. Consequently, analyses that require at least 1 year of post-exit employment data exclude SFY 2024 leavers who exited TCA between January and June 2024. Analyses also exclude additional leavers without enough follow-up data for the analysis, as detailed in Appendices C and D.

Analyses of median earnings include only adult recipients who were employed and had UI earnings. Additionally, all earnings are CPI-adjusted to 2024 dollars to account for the effect of inflation, ensuring that earnings measured across different time periods are commensurable. Median earnings represent the middle point that divides the earnings distribution of employed adult recipients into halves. One half of the distribution has earnings at or below the median, and the other half has earnings at or above that point.

Some analyses capture the change in employment from the year prior to the quarter of TCA entry to the year after the quarter of exit. These analyses are based on a single observed spell of TCA participation. Some individuals may have had additional TCA spells in the year before or after the spell captured in the *Life After Welfare* study: analyses in this chapter do not reflect those spells. In other words, an individual could have been receiving TCA in either the pre/before or post/after periods.

The TCA program's primary purpose is to provide cash resources to families with dependent children. A secondary purpose is to prepare adults for "independence through work" while the family receives financial assistance (MDHS, n.d., para. 1). This employment-first focus has been a key tenet of the program since the inception of TANF nearly 30 years ago (PRWORA,1997). Although Maryland utilizes an employment-first approach (GWDB, 2024, p.386), the state also recognizes the importance of connecting participants to opportunities and services that can assist them in obtaining self-sustaining employment (Schuyler et al., 2024). To that end, each of the 24 local departments develop and procure services for TCA customers including job training, job placement, education opportunities, and supportive services.

Consistent with previous iterations of this annual report, the authors present standard, recurring employment-related analyses throughout this chapter. In celebration of the 30th edition of *Life After Welfare*, the authors also present a host of new analyses for stakeholders that further elucidate the employment experiences of leavers. The chapter is segmented into four main sections and supported by Appendices C, D, F, and G.

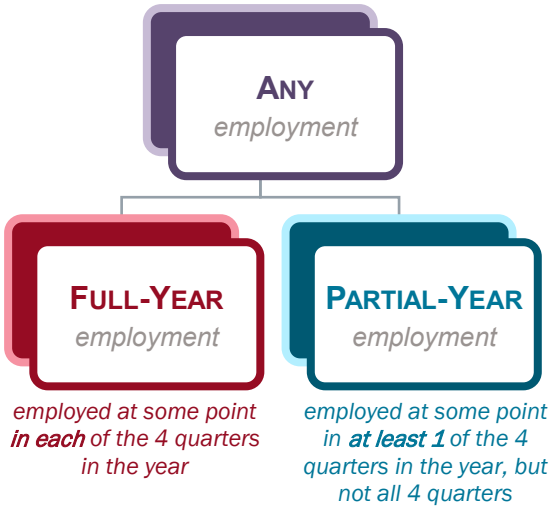
First, the chapter shows population-level employment and earnings, which provides a snapshot that communicates high-level shifts in employment and earnings for all adult recipients in the *Life After Welfare* population. This includes new analyses of changes in full-year and partial-year employment. The chapter then moves onto individual employment and earnings changes. These analyses measure if the same individual experienced employment or earnings changes, providing additional insights into the gains, losses, and steadiness in employment status from before TCA entry to after TCA exit. As a complement, the authors also provide this

data disaggregated by race and ethnicity. Finally, this chapter describes the longitudinal employment and earnings of TCA leavers through the 5th year after exit. The chapter concludes with a discussion of sectors in which TCA recipients are employed.

Population-Level Employment and Earnings: Before TCA Entry and After TCA Exit

One benefit of quarterly UI wage records is the ability to identify the number of quarters an individual works over the course of a year. The authors utilized these quarterly records to explore full-year employment, partial-year employment, and any employment (Figure 6). Full-year employment reflects the percentage of adult recipients who were employed at some point *in each* of the 4 quarters after exit. Partial-year employment reflects the percentage of adult recipients who were employed at some point *in at least 1* of the 4 quarters after exit but not employed in every quarter. Any employment reflects recipients who had either partial- *or* full-year employment. Importantly, these measures of employment do not necessarily mean that individuals were employed consistently. UI wage records do not include how many days, weeks, or months individuals worked.

Figure 6. Any, Full-Year, and Partial-Year Employment Definitions



Population-Level Employment

Prior *Life After Welfare* reports have repeatedly provided evidence that TCA recipients—as a whole—experience gains in employment between TCA entry and after exiting, even during most economic recessions[27] and recoveries (Passarella & Nicoli, 2017; Smith et al., 2024a). Figure 7 expands on these previous findings and provides the percentage of adult recipients who were employed the year before (i.e., 4 quarters before) their TCA spell began and the year after (i.e., 4 quarters after) their exit from TCA. The figure segments by SFY and type of employment (i.e., any, full-year, and partial-year employment).

Consistent with previous findings, Figure 7 shows that between the year prior to TCA entry and the year after exit, there is usually an increase in the percentage of employed recipients. Across the 5 most recent SFYs, more than half of adults were employed prior to entry, and approximately 60% were employed after exit. In SFY 2024, there was an 8 percentage point increase from the year before to the year after exit. While just over half (53%) of 2024 leavers were employed in the year before entry, three in five (61%) were employed in the year after exit. This patten is also evident in SFYs 2022 and 2023. The patterns shown in SFYs 2020 and 2021 deviate from the typically observed increase and reflects the devastating economic circumstances women and low-income households experienced during these years due to the pandemic (see Smith & Passarella, 2023b).[28]

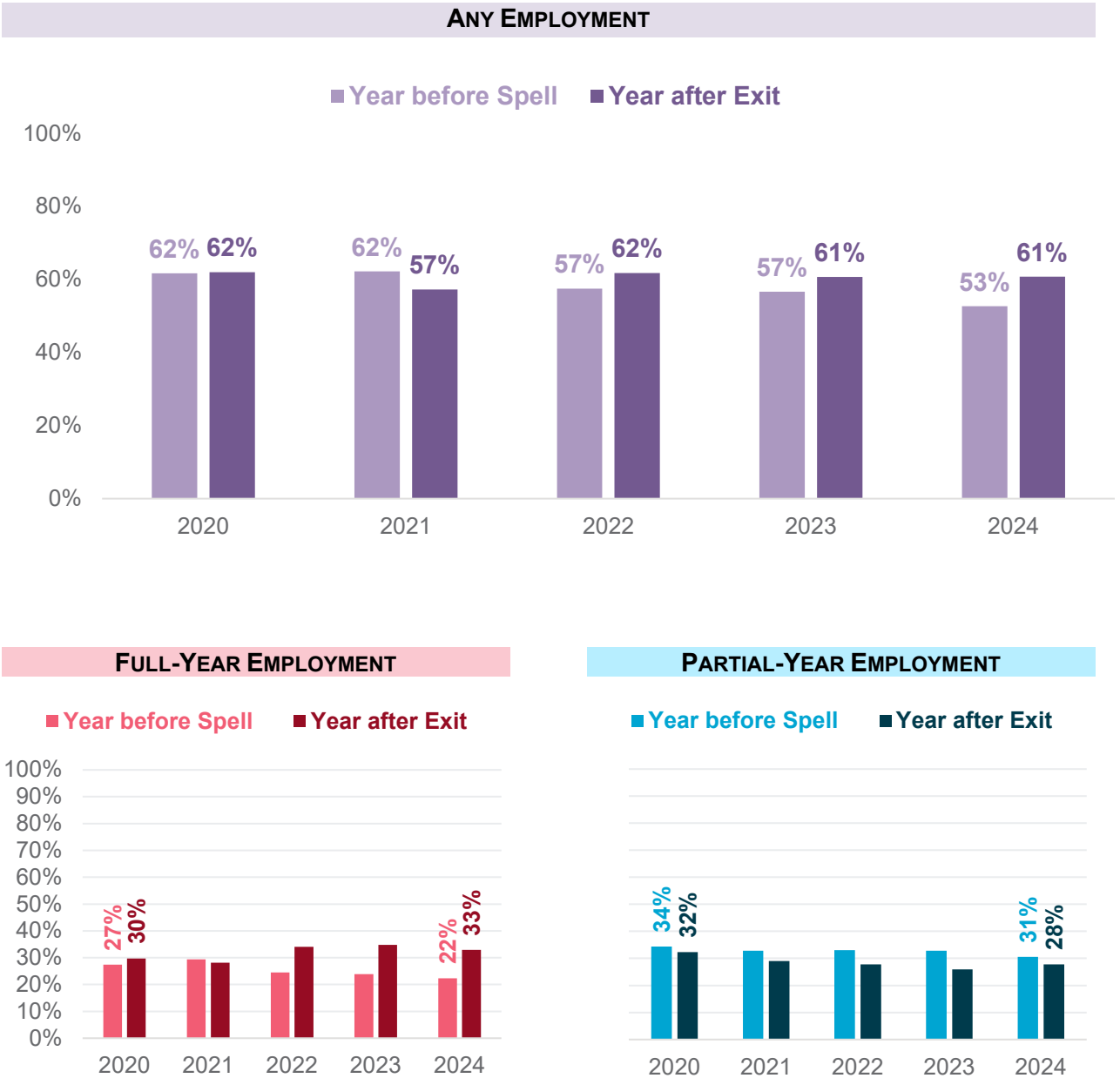
Importantly, these increases in aggregate employment are largely driven by increases in full-year employment. The second and third sections of Figure 7 show changes in full-year and partial-year employment. Between the year before entering and the year after exit, there is a general pattern of increases in full-year employment and decreases in partial-year employment. In SFY 2024, for example, there was an 11 percentage point *increase* in full-year employment (22% to 33%). In contrast, there was a 3 percentage point *decrease* in partial-year employment (31% to 28%).

Although there have been consistent decreases in partial-year employment over the last 5 years, a substantial proportion of recipients who were employed in the year after exit were still only able to secure employment for part of the year. Roughly half of the 61% of 2024 leavers were partially employed (28%), while roughly half were fully employed (33%). Recipients may have voluntary or involuntary partial employment. For some, caretaking responsibilities, education goals, disabilities, or other circumstances may impact their ability to engage in employment all 4 quarters of the year. However, other adults may experience involuntary partial employment, such as temporary or seasonal work, or they may have experienced job loss.

[27] During the recent pandemic period, there was a decline in population-level employment between the year before entry and the year after exit (Smith et al., 2024a).

[28] A majority (85%) of SFY 2024 leavers began their observed spell in January 2022 or later (analysis not shown). As a result, the year preceding their TCA entry coincided with pandemic-era economic conditions, which likely contributed to the lower percentage (i.e., 53%) of recipients who were employed during the year before entry.

Figure 7. Recipients Employed Before TCA Entry and After TCA Exit: Trends by SFY



Note: Figure 6 provides employment status definitions. Percentages of full-year and partial-year employment may not add to the total percentage of any employment in a given SFY due to rounding. See the beginning of the chapter for additional methodological notes.

Population-Level Earnings

Although employment is one important metric for the TCA program, earnings are arguably even more important as they reflect the financial realities of families who care and provide for children. Similar to employment, prior *Life After Welfare* reports have repeatedly shown increases in median earnings between the year before TCA entry and the year after exit (Passarella & Nicoli, 2017; Smith et al., 2024a). Figure 8 complements these previous findings by providing the median earnings of employed recipients in the year before TCA spell and the year after exit, by SFY and type of employment (i.e., any, full-year, or partial-year). All earnings are CPI-adjusted to account for the effect of inflation, ensuring that earnings measured across different time periods are commensurable.

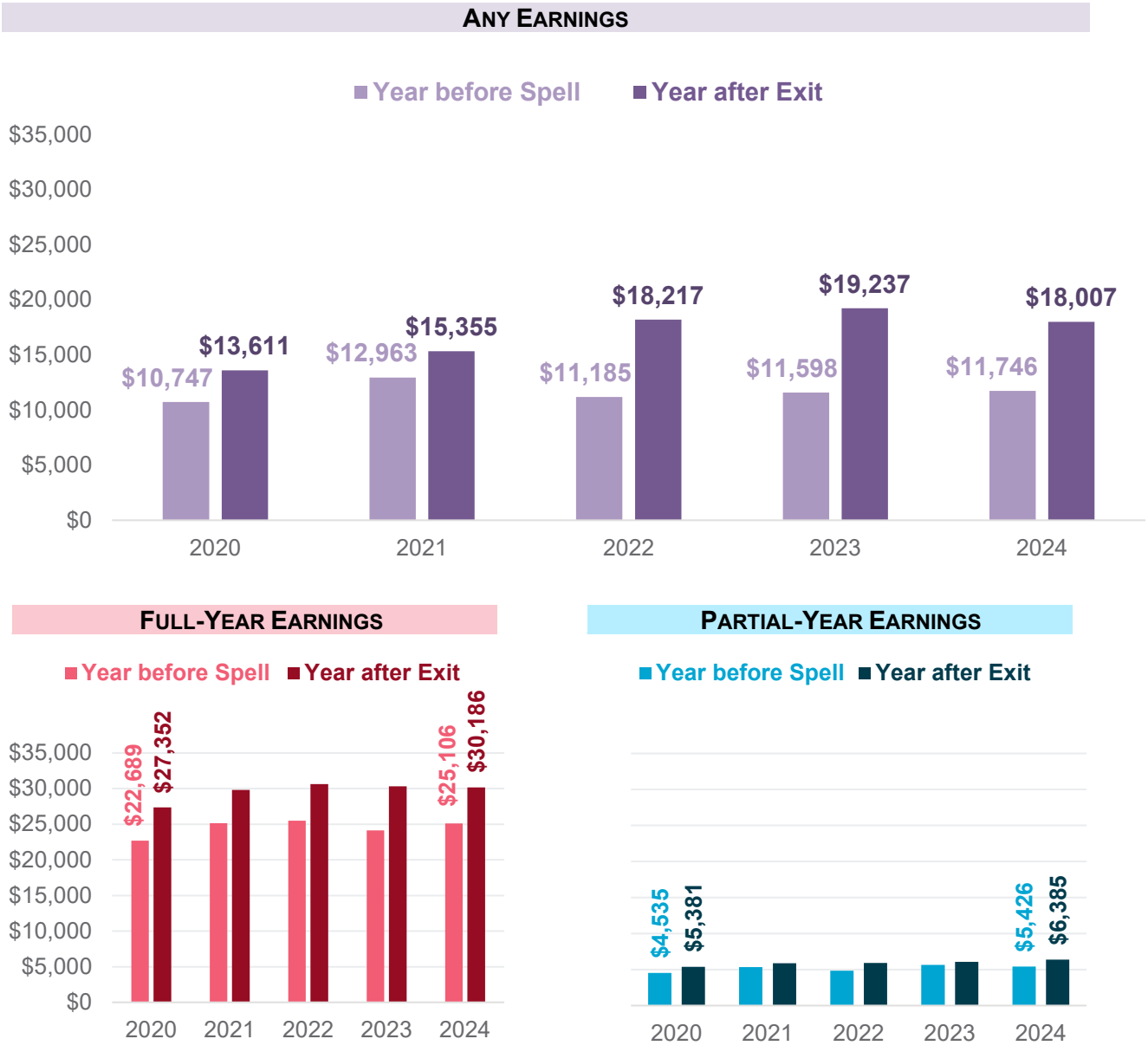
Figure 8 highlights a couple of important findings about TCA recipients' earnings. First, it shows that across the 5 most recent SFYs, there were increases in median earnings from the year before TCA spell to the year after exit, regardless of type of employment. SFY 2024 employed leavers, for example, earned a median of nearly $12,000 in the year before entry and a median of approximately $18,000 in the year after exit. This represents about $6,000 or a 53% increase in median earnings. An increase is also evident for 2024 leavers with partial-year (approximately $5,400 to $6,400) as well as full-year earnings (approximately $25,100 to $30,200). At the aggregate level, the TCA program appears to function as a financial stabilizer, providing temporary economic support to individuals during periods of economic recovery or transition.

Second, recipients' median earnings are higher when they have full-year earnings compared to partial-year earnings. Between SFYs 2020 and 2024, recipients with partial-year earnings earned a median of approximately $5,400 to $6,400 in the year after exit. Comparatively, recipients with full-year earnings earned a median of approximately $27,400 to $30,200. The median earning among SFY 2024 leavers with full-year employment exceeds the FPL for a family of 3 ($25,820; Office of the Assistant Secretary for Planning and Evaluation, 2024).

Despite more than half of 2024 employed leavers earning above the FPL for a family of three, it is critical to acknowledge that these earnings do not indicate a lack of financial hardship. The FPL does not capture the reality of families who do not have self-sustaining earnings (Hoopes & Treglia, 2019). Importantly, low-income families with a full-time worker still do not always earn enough to cover a basic family budget (Joshi et al., 2022), even if those annual full-time earnings place a family over the poverty threshold. Moreover, as shown in the *Program Receipt after Exit* chapter and in previous *Life After Welfare* studies, the majority of recipients continue to receive both SNAP and MA in the 5 years after leaving TCA, indicating continued need of financial supports (Smith et al., 2024a).

An arguably more accurate representation of family need is the Asset Limited, Income Constrained, Employed (ALICE) threshold, which measures the earnings needed to afford basic necessities, accounting for geographic variation (United for ALICE, 2025a). In Maryland, this threshold for a household with a single adult and a child in child care is $60,876 but is higher or lower depending on the jurisdiction (United for ALICE, 2025b). Seven out of every 10 female-headed households in Maryland earn below this threshold (United for ALICE, 2025a) suggesting that TANF leavers likely continue to face economic insecurity.

Figure 8. Median Earnings of Recipients Employed Before TCA Entry and After TCA Exit: Trends by SFY



Note: Figure 6 provides employment status definitions. See the beginning of the chapter for additional methodological notes.

Definitions: Employment & Earnings Changes

Pre-TCA Entry to Post-TCA Exit

Individual Employment Changes

- **Increased employment:** the adult recipient experienced one of the following:
  - *None to Partial:* not employed in the year before TCA entry and partially employed in the year after TCA exit
  - *None to Full:* not employed in the year before TCA entry and fully employed in the year after TCA exit
  - *Partial to Full:* partially employed in the year before TCA entry and fully employed in the year after exit
- **Consistent employment:** the adult recipient was either:
  - *Partial to Partial:* partially employed in both the year before TCA entry and the year after exit
  - *Full to Full:* fully employed in both the year before TCA entry and the year after exit
- **Decreased employment:** the adult recipient experienced one of the following:
  - *Full to Partial:* fully employed in the year before TCA entry and partially employed in the year after TCA exit
  - *Full to None:* fully employed in the year before TCA entry and not employed in the year after TCA exit
  - *Partial to None:* partially employed the year before TCA entry and not employed in the year after exit
- **No employment:** not employed in the year before TCA entry nor in the year after TCA exit

Individual Earnings Changes

- **Increased earnings:** between the year before TCA entry and the year after exit, the adult experienced an *increase* in annual earnings of at least $2,500
- **Consistent earnings:** between the year before TCA entry and the year after exit, the adult's annual earnings *did not increase or decrease* by at least $2,500
- **Decreased earnings:** between the year before TCA entry and the year after exit, the adult experienced a *decrease* in annual earnings of at least $2,500
- **No earnings:** the adult did not have earnings before TCA entry nor in the year after TCA exit

Individual Employment & Earnings Changes: Pre-TCA Entry to Post-TCA Exit

The previous section provided population-level estimates of TCA recipients' employment and median earnings before entry and after exit. The analysis provides a straightforward snapshot of overall employment and communicates high-level shifts in employment and earnings among the TCA exiting population. This section shifts the perspective to the individual and explores employment and earnings changes before entry and after exit at the *individual level*. The benefit of this analysis is that it provides additional insights into the gains, losses, and steadiness in employment status and earnings, revealing patterns that the prior analyses may obscure. This analysis is new to the *Life After Welfare* report.

Individual Employment Changes

In this section, Figure 9 captures the percentage of adult recipients who had certain employment experiences between the year before TCA entry and the year after TCA exit. The authors categorized recipients into one of four employment categories: (1) increased employment; (2) consistent employment; (3) decreased employment; and (4) no employment. The definitions box on page 30 provides details on how the authors define each employment category. Appendix F provides additional data on the detailed changes that occurred (e.g., the percentage of recipients who moved from no employment to full employment or from partial employment to full employment).

Between the year before TCA entry and the year after exit, roughly half of SFY 2024 leavers experienced increased or stable employment while the other half experienced decreased employment or no employment. First, nearly one third (30%) of leavers experienced *increased* employment (Figure 9). This can include a move from no employment to partial or full employment or a move from partial employment to full employment. One in four (24%) experienced *consistent* employment: either they had partial employment in both the year before entry and the year after exit or full employment in both time periods. Among SFY 2024 leavers, an additional one in five (19%) experienced *decreased* employment. This includes a move from full to partial employment, or from full or partial employment to no employment. Finally, just over one quarter (27%) of leavers had no employment in both the year before entry and the year after exit.

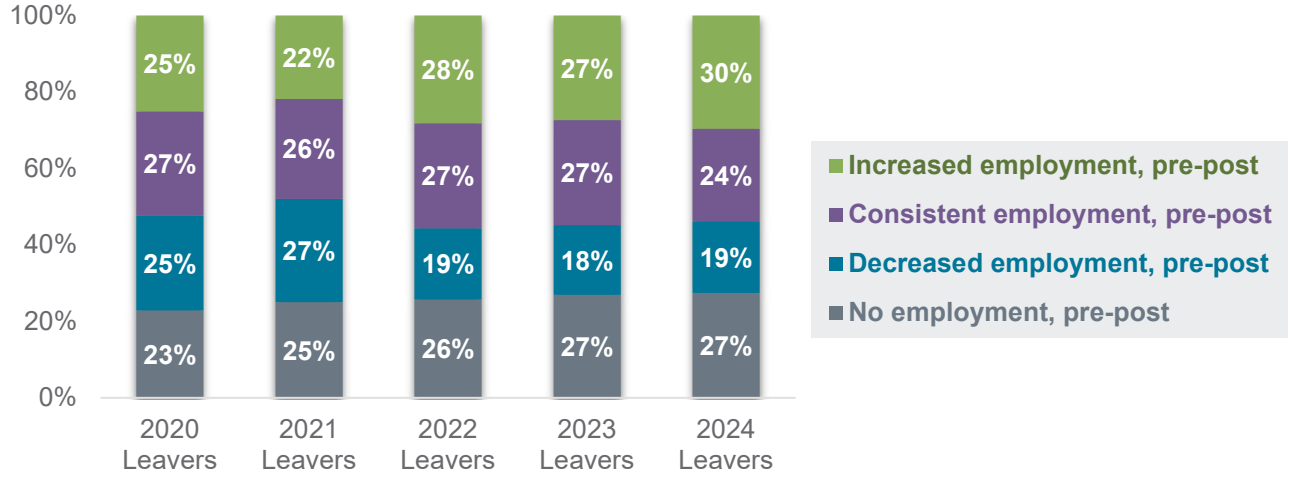
In recent years, the distribution of recipients across these four categories of employment experience has remained fairly stable with only slight changes. For instance, since SFY 2022, between 27% and 30% of leavers experienced increased employment and between 18% and 19% experienced decreased employment (Figure 9). In 2020 and 2021, these patterns did not hold, likely due to the economic shock of the pandemic. Notably, a higher percentage of 2021 leavers experienced decreased employment compared to increased employment (27% vs. 22%). Future economic crises may yield similar findings.

It is worth noting that the slight increase in the percentage of recipients with increased employment between 2023 and 2024 (27% to 30%) coincides with a decrease in consistent employment during the same years (27% to 24%). This shift likely reflects the timing of TCA spells among 2024 leavers, the majority of whom began their observed spell after the pandemic.[29] The pre-TCA entry period for these recipients captures employment experiences during

[29] A majority (85%) of SFY 2024 leavers began their observed spell in January 2022 or later (analysis not shown).

the pandemic-induced recession, a time marked by widespread labor market disruptions. Therefore, although the increased employment category grew between those 2 years, this trend may level off or even decrease slightly as fewer recipients have pandemic-era data included in their pre-entry period.

Figure 9. Individual Employment Changes Pre-TCA Entry to Post-TCA Exit: Trends by SFY



Note: The callout on p.30 provides definitions for categories of employment changes. Percentages may not add up to 100% due to rounding. See the beginning of the chapter for additional methodological notes.

Regardless of economic context, across the last 5 SFYs, roughly one quarter of leavers had no employment in the year prior to entry or the year after exit. While this may be interpreted as an undesirable outcome, there are myriad reasons why recipients may be in this category. Some potential reasons—though not an exhaustive list—can include local labor market conditions, personal and family-related circumstances, and data limitations of Maryland UI data.

First, recipients who were unemployed prior to entry may have struggled to obtain and maintain employment during their period of TCA receipt. For example, there may be limited employment opportunities in their communities (Schuyler et al., 2024) or a mismatch between their skillset and the skills required by their local employers, a challenge noted recently by the Governor's Workforce Development Board (2024).[30]

Additionally, evidence substantiates the presence of labor market discrimination in a variety of forms, including discrimination against individuals who have been unemployed for a long period of time (Borovičková, 2023), individuals with disabilities (Nagtegall et al., 2023), discrimination based on race or ethnicity (Quillian & Midtbøen, 2021), and discrimination against individuals with children (Correll et al., 2007).

Second, similar to others in the labor market, recipients may face barriers to employment. As discussed in the previous chapter, child care can be a barrier to employment (Boeri & van Ours, 2021; Schuyler et al., 2024), and many leavers have children who are young enough to need child care or after school care. Moreover, recipients may have physical or mental health challenges that reduce

[30] This is especially true given that the U.S. economy has shifted to more service jobs that emphasize professional training, registration, and state licensing (Janoski et al., 2014).

employment opportunities, including short- and long-term disabilities (Boeri & van Ours, 2021; Schuyler et al., 2024). Access to reliable transportation—notably in communities where infrastructure gaps persist—can also make it difficult for recipients to secure and maintain employment (GWDB, 2024; Schuyler, 2024). Individuals may also choose not to engage in employment if pursuing an education or training program, notably while raising children. While this decision might temporarily reduce labor force participation, it can improve longer-term economic stability.

Finally, the recipients who do not have employment in the year prior to entry and the year after exit could have been employed, but Maryland's UI data do not capture their type of employment. As described in the methods chapter, this data is limited to Maryland. The state shares borders with four states and the District of Columbia, so out-of-state employment is common. In fact, the percentage of out-of-state employment by Maryland residents (13%) is over four times greater than the national average (3%) and is most common in jurisdictions that share borders with the District of Columbia and Virginia.[31] Moreover, UI data does not capture certain types of work, including independent contract work, gig work, and employment in the informal economy.[32] It is likely, then, that recipients who are consistently employed out-of-state or have certain types of employment are represented in the no employment category.

Individual Employment Changes by Race & Ethnicity

Thus far, employment outcomes have focused on all leavers. Table 7 takes the previous analysis a step further by disaggregating individual employment changes by race and ethnicity. Disaggregated outcomes are important because they can uncover disparities that can be masked by examining all leavers and inform targeted policy and program design. Given that a primary purpose of TCA is to prepare adult customers for "independence through work" (MDHS, n.d., para. 1), disaggregated data can provide an opportunity to assess if TCA and related services are leading to equitable employment outcomes, regardless of race or ethnicity.[33] Future analyses could consider disaggregating by other characteristics, such as disability status at the time of exit.

Importantly, results in Table 7 are not comparable to results in Figure 9. Figure 9 provides the distribution of employment changes for *each* SFY. Table 7, on the other hand, combines all employment data over the last 5 SFYs (2020-2024). Given that some races and ethnicities have smaller representations in the TCA caseload, the combination of years allows for large enough population sizes to draw more meaningful conclusions about the employment experiences by race and ethnicity.

Table 7 demonstrates substantial variation in employment outcomes by race and ethnicity, with a few main takeaways. First, nearly three in five Black recipients experienced either increased employment (27%) or consistent employment (30%). They also had the *highest* rate of *consistent* employment across all races and ethnicities and the *lowest* rate of *no* employment (21%). Second, recipients who did not identify as Asian, Black, Hispanic, Indigenous, or White (i.e., recipients in the

[31] Data were obtained from the U.S. Census Bureau website (data.census.gov) using the 2019–2023 American Community Survey 5-Year Estimates for Commuting Characteristics by Sex (S0801).

[32] Refer to the *Methods* chapter for more information.

[33] For a recent review of the importance of disaggregated outcomes and history of employment disparities by race and ethnicity, see Garcia et al., 2024.

Other category) had the *highest* rate of increased employment (31%) but also the *highest* rate of *no* employment (53%).

A third finding is that similar to leavers in the *Other* category, more than one in four Indigenous (28%) and Asian (26%) recipients experienced increased employment. However, half (52%) of Asian recipients had no employment—the second highest rate—while approximately one in three (32%) Indigenous recipients had no employment. Finally, both White and Hispanic recipients had below average proportions of recipients in increased employment (24% and 23%) or consistent employment (22% and 23%) and above average proportions of recipients in decreased (23% and 23%) or no employment (32% and 31%).

While a deep dive into the underlying causes of the findings in Table 7 is beyond the scope of this report, there are potential avenues for further exploration. For instance, high rates of no employment could reflect language barriers, cultural norms, or limited access to culturally appropriate supportive services. Some racial or ethnic groups may live in areas with greater transportation challenges, limited child care options, or fewer employment opportunities, while others may live in areas with fewer structural barriers and more economic opportunities.

Policies may also disproportionately impact families. For instance, some races or ethnicities may be more likely to experience closures for administrative reasons, such as failing to submit paperwork in a timely manner, which could result in exits from TCA without employment gains. Moreover, even seemingly positive employment outcomes can mask important obstacles to self-sufficiency. For example, although Black recipients had higher than average rates of increased or consistent employment, these outcomes could mask low-wage or unstable work.

Table 7. Individual Employment Changes by Race and Ethnicity, Pre-TCA Entry to Post-TCA Exit: SFYs 2020–2024

	Increased employment	Consistent employment	Decreased employment	No employment	Total
Asian^ *(n=1,457)*	26%	9%	13%	52%	100%
Black^ *(n=22,302)*	27%	30%	22%	21%	100%
Hispanic *(n=1,781)*	23%	23%	23%	31%	100%
Indigenous Peoples^† *(n=352)*	28%	22%	18%	32%	100%
White^ *(n=8,696)*	24%	22%	23%	32%	100%
Other^ *(n=278)*	31%	8%	9%	53%	100%
All Adult Recipients	**26%**	**27%**	**22%**	**26%**	**100%**

Note: ^Non-Hispanic/Latinx. †Indigenous Peoples includes individuals who identify as Native American, American Alaska Native, Native Hawaiian, or other Pacific Islander. The callout on p.30 provides definitions for categories of employment changes. Percentages may not add up to 100% due to rounding. See the beginning of the chapter for additional methodological notes.

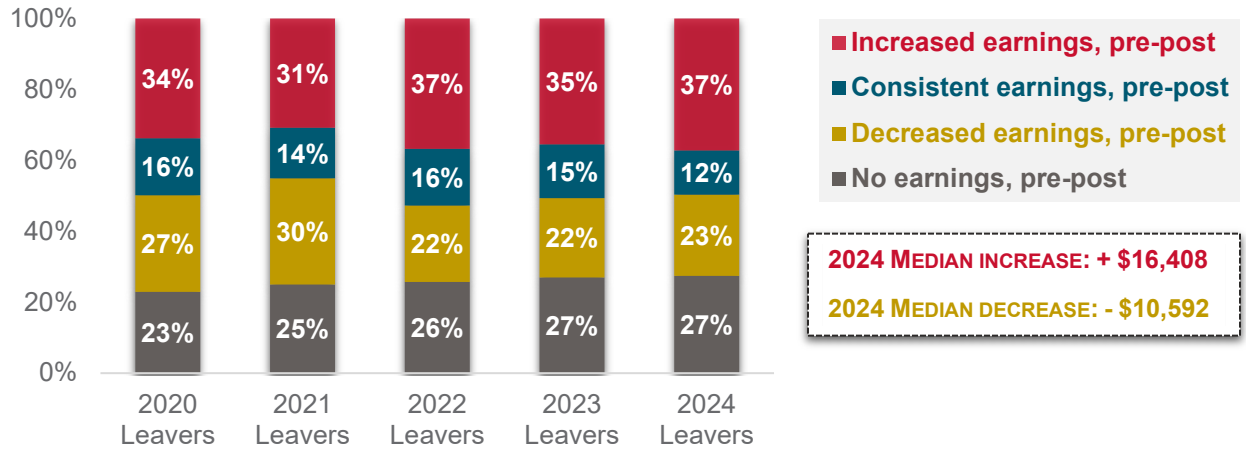
Individual Earnings Changes

To complement the previous section on individual employment changes between the year before TCA entry and the year after exit, this section explores individual earnings changes. The authors categorized recipients into one of four earnings categories: (1) increased earnings of at least $2,500 between the year before TCA entry and the year after TCA exit; (2) consistent earnings, reflecting either no change or a change that was less than $2,500; (3) decreased earnings, which captures a decrease in earnings of $2,500 or more; and (4) no earnings. Similar to the previous section, the definitions box on page 30 provides details on how the authors define each earnings category.

Similar to Figure 9, which provides an estimate of individuals with no employment, Figure 10 shows the percentage of recipients with no earnings for each SFY. The no earnings percentages in Figure 10 are identical to the no employment percentages in Figure 9. If an individual did not have employment in either period, then there is not the possibility for an earnings change. Therefore, the discussion of Figure 10 focuses on consistency and changes in earnings.

Between the year before TCA entry and the year after exit, roughly half of 2024 leavers experienced increased or stable earnings while the other half experienced decreased earnings or had no earnings. Slightly more than one in three (37%) leavers in 2024 experienced increased earnings between entry and exit, a slightly elevated percentage compared to 2020 (34%). Over the course of the last 5 years, this percentage has remained relatively stable, apart from 2021, when only 31% of leavers experienced increased earnings. SFY 2024 leavers experienced a median gain in earnings of more than $16,000 from the year before entry to the year after exit.

Figure 10. Individual Earnings Changes Pre-TCA Entry to Post-TCA Exit: Trends by SFY



Note: The callout on p.30 provides definitions for categories of earnings changes. Percentages may not add up to 100% due to rounding. See the beginning of the chapter for additional methodological notes.

Consistent earnings also remained relatively stable in recent years, with a slight decrease in 2024. In 2024, one in eight (12%) recipients had earnings that were consistent between the year before entry and the year after exit, compared to between 14% and 16% in the prior 4 years. Finally, nearly one in four (23%) 2024 leavers experienced decreased earnings. Unsurprisingly, a higher percentage of recipients who left in 2020 (27%) and 2021 (30%) experienced decreased earnings.

These recipients exited while Maryland's economy faced unprecedented economic circumstances (CBPP, 2024). Leavers with decreased earnings experienced a loss of more than a median of $10,000 between the year before entry and the year after exit.

Individual Earnings Changes by Race and Ethnicity

Similar to the prior examination of employment changes by race and ethnicity, Table 8 provides changes in earnings between the year before entry and the year after exit by race and ethnicity. Results in Table 8 are not comparable to results in Figure 10. While Figure 10 provides the distribution of employment changes for each SFY, Table 8 combines all employment data over the last 5 SFYs (2020-2024).

Table 8 shows Black recipients had the highest rate of *increased* earnings (37%). Across Asian, Hispanic, Indigenous, White, and Other races and ethnicities, approximately 30% experienced *increased* earnings, ranging from 28% to 31%. Black recipients also had the highest rate of *consistent* earnings (16%). For remaining races and ethnicities, the rate of consistent earnings ranged from 6% (Asian) to 14% (White). Finally, about one in four Black (26%), Hispanic (26%), Indigenous (24%), and White (24%) recipients experienced decreased earnings.

Although it may first appear to be an anomaly that Black recipients have the highest rate of increased earnings, consistent earnings, *and* decreased earnings, this pattern becomes clearer when examining the no earnings category. Recipients who identified as Asian, Hispanic, Indigenous, White, and Other had higher-than-average percentages of no earnings compared to Black recipients (21%). As a result, these groups are underrepresented in the earnings change categories (i.e., increased, consistent, decreased), meaning fewer recipients from these groups had earnings to begin with, and thus, fewer could experience changes in earnings. This helps illustrate why Black recipients appear most frequently across all earnings change categories: a lower percentage of Black recipients had no earnings at all, resulting in greater representation among those whose earnings changed or were consistent over time.

Table 8. Individual Earnings Changes by Race and Ethnicity, Pre-TCA Entry to Post-TCA Exit: SFYs 2020–2024

	Increased earnings	Consistent earnings	Decreased earnings	No earnings	Total
Asian^ *(n=1,456)*	28%	6%	14%	52%	100%
Black^ *(n=22,292)*	37%	16%	26%	21%	100%
Hispanic *(n=1,780)*	30%	13%	26%	31%	100%
Indigenous Peoples^† *(n=351)*	31%	13%	24%	32%	100%
White^ *(n=8,693)*	31%	14%	24%	32%	100%
Other^ *(n=278)*	29%	8%	10%	53%	100%
All Adult Recipients	**35%**	**15%**	**25%**	**26%**	**100%**

Note: The counts in this table do not match the counts in Table 7 due to missing earnings data for some employed recipients. ^Non-Hispanic/Latinx. †Indigenous Peoples includes individuals who identify as Native American, American Alaska Native, Native Hawaiian, or other Pacific Islander. The callout on p.30 provides definitions for categories of earnings changes. Percentages may not add up to 100% due to rounding. See the beginning of the chapter for additional methodological notes.

Longitudinal Employment & Earnings

While the previous sets of analyses demonstrated shifts in employment and earnings between the year before TCA entry and the year after TCA exit, this section tracks the employment and earnings of leavers for 5 years after exit. This long-term perspective has been the hallmark of the *Life After Welfare* study over the last few decades. Notably, Maryland is one of only a few states that publicly reports longitudinal employment outcomes for cash assistance leavers (Safawi & Pavetti, 2020).

Taking a multi-year, longitudinal lens provides a deeper understanding of whether earnings gains persist over time, offering a fuller picture of the labor market outcomes for adults who exited TCA. This perspective is important given that labor market earnings are the primary avenue to economic self-sufficiency (Neumark, 2019) and TANF aims to help families with children achieve economic security and stability (OFA, 2022). Consistent employment and earnings therefore, is vital to the long-term financial well-being of Maryland families.

Figures 11 & 12 diverge from previous iterations of the same analyses. Previous *Life After Welfare* reports presented longitudinal outcomes by combining leavers across all years in the study period. For instance, the 2024 update reported that 60% of leavers were employed in the 2nd year after exit: this estimate included all leavers in the study who exited between SFYs 2016 and 2023 and had 2 years of follow-up data (Smith et al., 2024). In contrast, this update tracks leavers from *each SFY* separately over time. Similar to previous reports, the length of follow-up data available for each leaver depends on the passage of time and the availability of UI data. Appendix C provides the availability of data for recipients who exited TCA between SFYs 2020 and 2024, and Appendix D provides the counts for follow-up data.

Consistent with previous findings (see Smith et al. 2022; Smith & Passarella, 2024), Figure 11 shows that employment in Maryland's formal economy decreases over time. Among SFY 2020 leavers—the only year in the study with 5 years of follow-up data—62% were employed at any point in the 1st year after exit, compared to 56% of leavers in the 5th year after exit, a decrease of 6 percentage points. Although recipients who left in SFY 2021 or later did not have 5 years of follow-up data, early trends exhibit the same pattern of employment declines over time. For example, although 61% of SFY 2023 leavers were employed in the 1st year after exit, only 56% were employed in the 2nd year after exit. Other states that have tracked leavers' earnings after exit also reported declines in employment over time (Safawi & Pavetti, 2020; Economic Services Administration, 2025).

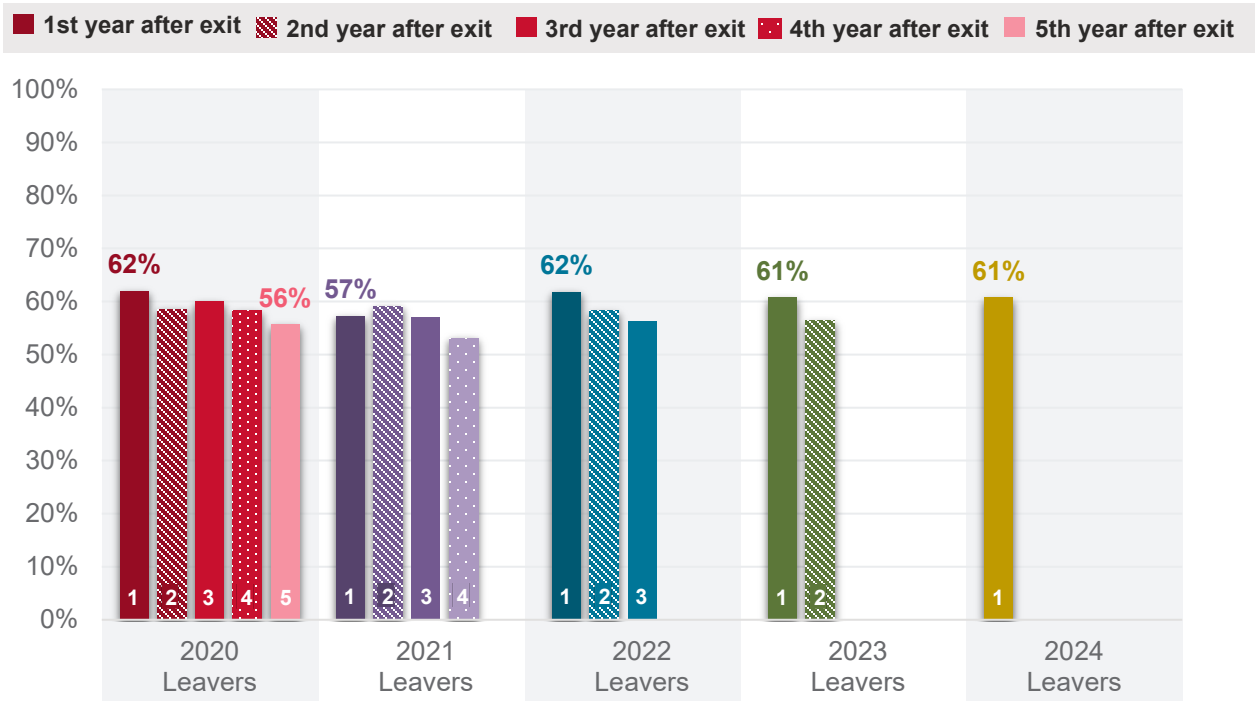
Although employment decreased over each follow-up year, Figure 12 shows earnings among employed leavers increased between the 1st and 5th follow-up years. Recipients who left in SFY 2020 earned a median of $13,611 in the 1st year after exit and $22,476 in the 5th year after exit, an increase of nearly $9,000, or 65%. Although leavers from other years do not have 5 years of follow-up data, the early pattern is the same: median earnings increase each year after exit. Importantly, as discussed earlier in this chapter, the earnings shown in Figure 12 are not high enough to ensure economic security.

To complement this analysis, Appendix G examines the longitudinal employment and median earnings by race and ethnicity.[34] While employment varies by race and ethnicity, the general pattern of decreasing employment was consistent except for Hispanic/Latinx leavers, who had stable

[34] For a recent review of the importance of disaggregated outcomes and history of employment disparities by race and ethnicity, see Garcia et al., 2024.

employment across all 5 years. Similarly, earnings varied, but the pattern of increasing earnings for each group was consistent.

Figure 11. Adult Recipients' Annual Employment Five Years After Exit: Trends by SFY



Note: See the beginning of the chapter for additional methodological notes.

Figure 12. Median Earnings Five Years After Exit Among Employed Adult Recipients: Trends by SFY

Note: See the beginning of the chapter for additional methodological notes.

Sectors of Employment

As emphasized at the beginning of this chapter, employment is a central tenet of the cash assistance program, and local jurisdictions in Maryland are responsible for connecting recipients to opportunities, such as job training or job placement, that can improve their likelihood of exiting cash assistance. To that end, this final section explores the sectors in which TCA leavers were employed in the 1st quarter after they exited the program. Sectors are categories of business establishments that make up NAICS, a system utilized by federal agencies for statistical reporting on the U.S. economy (U.S. Census Bureau, n.d.).[35] Although occupations are not available in Maryland's UI-wage data, the system does include NAICS codes, allowing for analysis of the sectors in which TCA leavers were employed.

Exiting recipients between SFYs 2020 and 2024 were most commonly employed in one of the six sectors shown in Table 9. The corresponding median earnings by sector and SFY are provided in Table 10. As shown, the most common sector of employment for TCA leavers over the last 5 years has been health care and social assistance (Table 9). Roughly one in four leavers in each year was employed in this sector, with a slight elevation in 2023 and 2024 (26%). Encouragingly, this is also the sector with the highest median quarterly earnings: quarterly earnings were consistently over $6,000, with SFY 2024 exiters earning a median of nearly $7,000 in the quarter after exit.

The second most common sector among TCA leavers over the last few years has been retail trade, employing 15% of SFY 2024 leavers. This sector had the second lowest median quarterly earnings in SFY 2024, with leavers earning a median of approximately $4,400 in a 3-month period.

Top Employment Sector Definitions

- **Healthcare & Social Assistance (NAICS 62):** Establishments that provide health care and social assistance for individuals. Industries in this sector can include outpatient health care and residential care facilities, among others.
- **Retail Trade (NAICS 44–45):** Comprises establishments engaged in retailing merchandise and rendering services incidental to the sale of merchandise. Industries in this sector can include general merchandise retailers and food & beverage retailers.
- **Administrative & Support Services (NAICS 56):** Performs support activities for the day-to-day operations of other organizations. Includes office administration, clerical services, cleaning, temporary employment services, and waste disposal services among other services. Industries in this sector can include office administration and waste disposal services**.** *Note: The full name of this sector is Administrative & Support and Waste Management & Remediation Services.*
- **Accommodation & Food Services (NAICS 72):** Includes establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. Industries in this sector include hotel accommodations and casinos.
- **Transportation & Warehousing (NAICS 48–49):** Includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. Industries in this sector can include warehousing and cargo transportation.
- **Education (NAICS 61):** This sector includes organizations that provide instruction and training services including schools, colleges, and training centers. This sector includes both private and public sector educational establishments.

[35] There are 20 NAICS sectors.

Given the low earnings this sector offers, the recent decreases in employment—down from 18% in 2021—are encouraging.

Three additional common sectors of employment for exiting adult recipients have decreased since SFY 2020. For example, 17% of SFY 2020 leavers were employed in administrative and support services compared to 14% of 2024 leavers. Two additional sectors—accommodation and food services as well as transportation and warehousing—have experienced small declines. Since 2020, accommodation and food services has declined 3 percentage points (13% to 10%), as has transportation and warehousing (11% to 8%).

Employment in education, however, has increased slightly. Only 3% of SFY 2021 leavers were employed in the education sector compared to 6% of 2024 leavers. This is a welcome increase given that this sector consistently has the second highest median quarterly earnings among exiting adult recipients in each SFY (Table 10). SFY 2024 leavers earned a median of nearly $5,800 in the quarter after exit, though leavers in earlier years earned more than $6,000 in the quarter after exit.

The final category shown in Tables 9 and 10 is *Other*, which incorporates the remaining 14 NAICS sectors not shown in the tables. Over time, the percentage of leavers employed in one of the sectors not shown has increased from 14% to 20% between SFYs 2020 and 2024. Within this catchall category, there have been very small increases in the percentage of leavers employed in 2 sectors: (1) manufacturing and (2) construction. However, each of these still accounts for less than 3% of leavers employed in the quarter after exit. The remaining sectors have inconsistent patterns over time. Notably, the *Other* category has the highest median quarterly earnings, ranging from a median of $3,073 in the arts, entertainment, and recreation sector to a median of $11,151 in the mining, quarrying, and oil and gas extraction sector. Given this, it may be worthwhile to further explore which specific industries are associated with higher earnings and whether they present opportunities for targeted employment strategies.

Table 9. Common NAICS Sectors of Employment, Quarter After Exit: Trends by SFY

	2020	2021	2022	2023	2024
Health Care & Social Assistance	24%	22%	24%	26%	26%
Retail Trade	16%	18%	17%	16%	15%
Administrative & Support Services	17%	16%	14%	13%	14%
Accommodation & Food Services	13%	12%	13%	10%	10%
Transportation & Warehousing	11%	10%	10%	9%	8%
Education	4%	3%	4%	5%	6%
Other	14%	18%	19%	21%	20%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Note: This analysis represents the employer with whom the employed adult recipient earned the highest wages in the 1st quarter after exit. Findings are not comparable to reports prior to 2023 due to a change in methodology. The *Other* category includes 14 sectors each employing 4% or less of all employed adult recipients. Percentages may not add to 100% due to rounding. See the beginning of the chapter for additional methodological notes.

Table 10. Median Quarterly Earnings in Common NAICS Sectors of Employment, Quarter After Exit: Trends by SFY

	2020	2021	2022	2023	2024
Health Care & Social Assistance	$6,508	$6,993	$7,340	$6,678	$6,926
Retail Trade	$3,358	$4,259	$4,386	$4,301	$4,449
Administrative & Support Services	$4,169	$4,707	$4,625	$5,794	$5,345
Accommodation & Food Services	$3,194	$4,172	$4,134	$4,329	$4,070
Transportation & Warehousing	$4,606	$4,546	$4,920	$4,707	$5,358
Education	$6,274	$6,436	$6,590	$6,614	$5,776
Other	$6,953	$7,906	$8,456	$8,279	$8,082
All Sectors	**$5,246**	**$5,817**	**$6,086**	**$6,224**	**$6,126**

Note: This analysis represents the earnings from the employer with whom the employed adult recipient earned the highest wages in the 1st quarter after exit. Findings are not comparable to reports prior to 2023 due to a change in methodology. The *Other* category includes 14 sectors, each employing 4% or less of all employed adult recipients. See the beginning of the chapter for additional methodological notes.

PROGRAM PARTICIPATION AFTER TCA EXIT

The previous chapter showed that while approximately three in five SFY 2024 leavers were employed in the year following their exits, their median earnings remained substantially below the threshold needed for families to afford basic necessities. For example, a single adult with one child in child care needs an annual income of more than $60,000 to meet basic needs in Maryland, though this amount varies by jurisdiction (United for ALICE, 2025b). However, the low-wage labor market provides jobs that have high income volatility and parents experience structural barriers (e.g., lack of access to transportation[36] and child care), which makes securing and maintaining employment more difficult (Safawi & Pavetti, 2020). Previous research shows that only eight out of 100 leavers have sustained earnings above the poverty threshold for a family of three (Nicoli, 2015). Consequently, most families continue to rely on public supports after leaving TCA (Smith et al., 2024).

This chapter utilizes Maryland administrative data to explore families' participation in select safety net programs after their exits from cash assistance. Specifically, it explores participation in CSS, SNAP, SSI, TSS, and MA, which includes both Medicaid and the MCHP. Additionally, it explores the extent to which families return to the TCA program and disconnection from income and support programs. While not an exhaustive list of supportive services families may utilize after exit, examining participation in and disconnection from these programs provides valuable insight into the post-exit experiences of families.

Child Support Services

Since the federal child support program's inception in 1975, a primary purpose of the program has been cost-recovery for providing cash assistance to families with children (Turetsky & Azevedo-McCaffrey, 2024). This underlying, guiding principle is why the current TANF program requires families to pursue child support: it allows states and the federal government to recoup TANF program costs (Tollestrup, 2025). Therefore, with some exceptions, families are required to participate fully in their state's CSS program as a condition of receiving TANF.

Despite this legacy, child support is a critical financial support for families receiving or leaving cash assistance. Previous research demonstrates that the receipt of child support lifts Maryland families out of poverty (Demyan & Passarella, 2019). Families can also increase their monthly income by up to $200 a month while receiving TCA through Maryland's child support pass-through policy. In fact, the state passes through millions of dollars to TCA recipient families each year (Smith & Hall, 2021).[37]

After TCA exit, child support remains an important income source for families, providing them with a median of $2,000 in additional income each year (Smith et al., 2024). Recent national evidence demonstrates that for families in deep poverty, child support accounts for 21% of their family income (Cancian et al., 2025). Older evidence suggests it can also help

[36] Recent evidence from Colorado shows that assisting TANF families with transportation can set the family up for success (Public Consulting Group, 2025). Common transportation needs include vehicle repairs, help with obtaining a vehicle, paying for gas or insurance, and even help with vehicle registration.

[37] Maryland is one of 27 states that passes through at least some of the child support collected on behalf of TANF families to the families (NCSL, 2023). Maryland will phase in full pass-through by 2031 (H.B. 881, 2025).

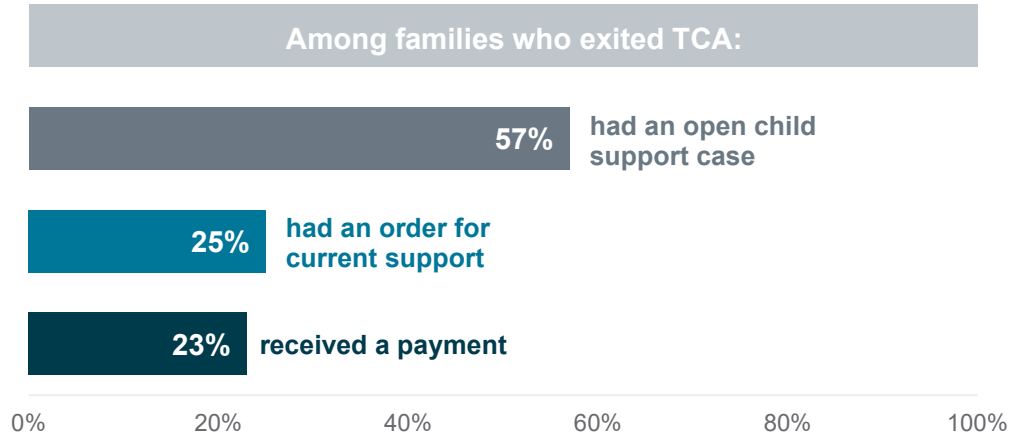
families remain off of TCA (Hall & Passarella, 2015).

Given that families are generally required to comply with CSS, local social service departments refer TCA applicants to the local child support office to begin the process of pursuing formal child support (FIA, 2022b). The process can include various steps such as identifying or locating the parent(s)[38] and attending interviews or court hearings to pursue formal support (FIA, 2022b). Some families, though, are exempt from pursuing CSS if there is "good cause" for them to not comply (FIA, 2022b, p.4). According to policy, good cause exemptions should be granted if the family has experienced or would experience serious physical or emotional harm by pursuing child support.[39]

Nearly three in five (57%) of exiting families between SFYs 2020 and 2024, had an open child support case in the 1st year after exit (Figure 13). Over time, these percentages have declined (Figure 14). In the 2010s, approximately three in four exiting families had an open child support case (Hall & Passarella, 2020). As Figure 14 shows, two in three (67%) exiting 2020 families had an open child support case in the year after exit. This decreased 21 percentage points over 5 SFYs to 46% among 2024 leavers.

The declines among 2021 and 2022 leavers are likely associated with lingering effects of the pandemic. For example, Maryland courts were either closed or partially operated between April 2020 and March 2021, which impacted the child support process (Maryland Courts, n.d.-a; Maryland Courts, n.d.-b). However, the ongoing decline post-pandemic is perplexing. One potential explanation is that over time, more families have qualified for a good cause exemption. Family violence is more prevalent among low-income women and TANF recipients (Lindquist-Grantz et al., 2022; OFA, 2014; ACF, 2016).[40]

Figure 13. Child Support Status in First Year After Exit: SFY 2020–2024 Leavers



Note: This figure excludes families who did not have 1 year of follow-up data at the time data were retrieved. See Appendix D for more information.

[38] This can include providing a wide array of identifying information or establishing paternity through genetic testing (FIA, 2022b).

[39] Case managers also may grant good cause exemptions in cases in which the child may soon be legally adopted (FIA, 2022b).

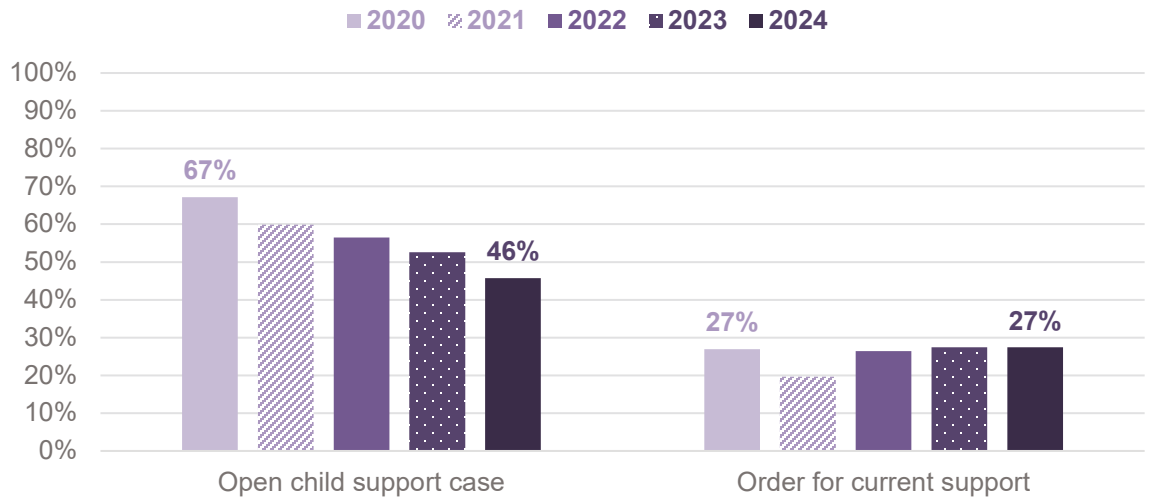
[40] In Maryland, one in six (17%) SFY 2024 TCA custodians had family violence documented in the administrative system (Garcia & Passarella, 2025). Importantly, this reflects only the percentage who had family violence *documented,* which is likely not the same as the percentage who *experienced* family violence.

Alternatively, parents may not want to engage in the child support process if it puts the other parent in a financially vulnerable position or if they fear retaliation (Kaplan et al., 2022). Prior to December 2021, Maryland had a full-family sanction policy, meaning a TCA case would close if parents did not comply with the CSS process. Effective December 2021, however, the policy shifted: noncompliant families now receive a 25% reduction in their TCA grant (FIA, 2021a). For most families, this equates to a median monthly reduction of roughly $150 or more (Passarella, 2025). Some families may accept this partial sanction as a trade-off to avoid involving the other parent in the CSS process.

Finally, it is possible that ongoing challenges with CSMS—Maryland's CSS administrative system—is affecting findings. The system was fully implemented in September 2022, though MDHS has identified gaps and necessary system fixes (MDHS, 2025). Although the system is undergoing regular enhancements, MDHS has acknowledged that system errors and persistent challenges are impacting their reported performance.

Although the percentage of TCA exiting families with an open child support case has declined in recent years, Figure 13 shows that one quarter (25%) of all exiting families had an order for current support, and just under one quarter (23%) ultimately received a child support payment in the 1st year after exit. Further, the percentage of exiting families with an order for current support has remained generally stable over time, with the exception of SFY 2021 (Figure 14).[41] This stability in support order establishment suggests that the decline in open child support cases is limited to just opening the child support case—rather than the process of establishing an order.

Figure 14. Child Support Cases and Orders for Current Support in First Year After Exit: Trends by SFY



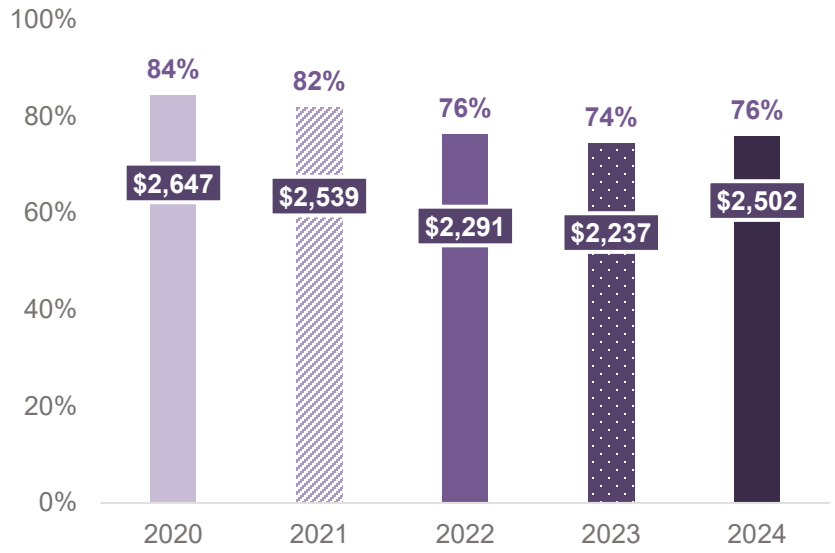
Note: This figure excludes families who did not have 1 year of follow-up data at the time data were retrieved. See Appendix D for more information.

[41] Maryland courts were either closed or partially operated between April 2020 and March 2021, which impacted the child support process (Maryland Courts, n.d.-a; Maryland Courts, n.d.-b).

After the judicial system establishes an order for support, families can begin receiving payments made by the parent who owes support. Figure 15 demonstrates a consistent finding in the *Life After Welfare* series: the majority of families who have an order for support receive at least one payment in the year after they exit TCA. For instance, over the last few years, three out of every four exiting TANF families received a support payment. This percentage has declined in the last 5 years, however, from 84% in SFY 2020 to 76% in SFY 2024.

This decline in the percentage of families receiving a payment coincides with a slight decline in the median annual amount of current support received ($2,647, 2020 to $2,502, 2024). Although the reason for the decline is not immediately clear, the changes between 2023 and 2024 suggest that these declines may be tied to the lingering effects of the pandemic and that a return to pre-pandemic normalcy is on the horizon. Between 2023 and 2024, there was a small increase in the percentage of cases that received a payment (74% to 76%) and the median annual amount families received ($2,237 to $2,502). Future reports should continue to document these trends.

Figure 15. Percentage of Cases with a Payment and Median Annual Amount: Trends by SFY *Among cases with current support owed in the first year after exit*



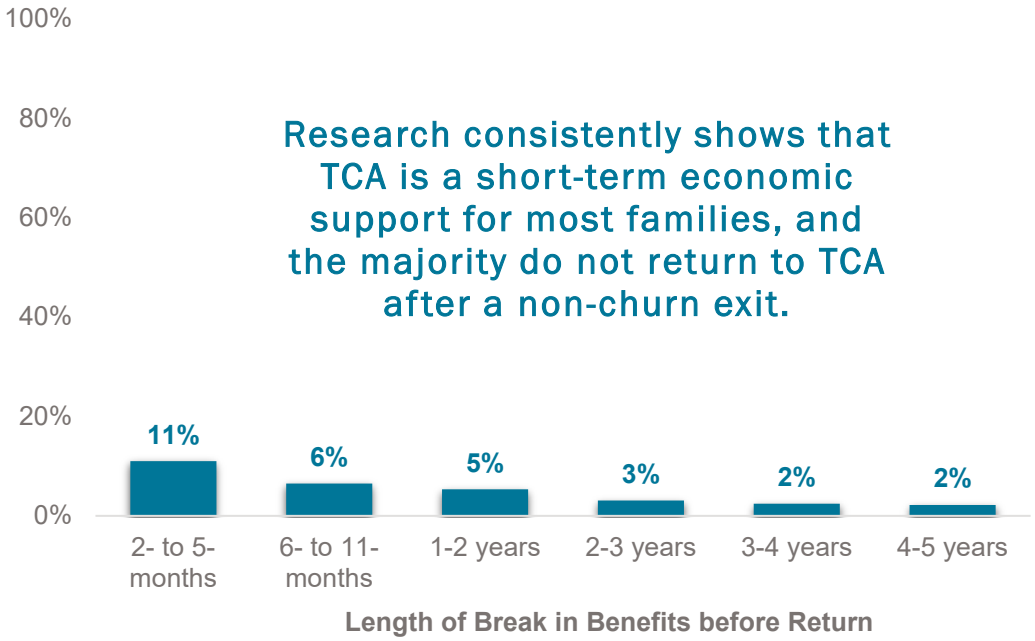
Note: This figure includes exiting TCA families to whom current support was owed in the 1st year after exit. It excludes families to whom current support was not owed as well as families who did not have 1 year of follow-up data at the time data were retrieved. See Appendix D for more information. The median amount paid only includes families who received payments.

Returns to TCA

Although child support is an important income source for low-income families and is associated with remaining off of cash assistance (Hall & Passarella, 2015), some families return to TCA after exiting.[42] Families return for a variety of reasons. Qualitative evidence suggests that they return because of personal or familial barriers, after coming into compliance with program requirements, and due to the types of jobs adults find (i.e., low wage work with episodic employment; Passarella & Born, 2013). Ultimately, though, families who return to the program do so because their earned and unearned income does not meet their needs and they qualify for the program.[43]

Previous research demonstrates that a majority of recipients who leave TCA do not return (see Smith et al., 2024). Figure 16 shows that among families with 5 years of follow-up data, two out of every three (65%) did not return to TCA. If families did return to TCA, they typically did so within the 1st or 2nd year after exiting. More than one in five (22%) non-churn families returned to TCA after a break in benefits that lasted between 2 months and 2 years, with 17% returning after a break lasting less than 1 year. Returns to TCA after a break lasting more than 2 years was uncommon (7%).

Figure 16. Percentage of Families who Returned to TCA After a Break in TCA Benefits: SFY 2020–2024 Leavers



Note: Although cases may close and reopen more than once, this figure represents the 1st return to the TCA program for families. Each year excludes cases without the corresponding amount of follow-up data. See Appendix D for number of cases with follow-up data.

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[42] Some families return to the program *quickly* after exiting, referred to as churning. *Life After Welfare* excludes churners, as described in the *Methods* chapter.

[43] It is important to note, though, that TCA does not serve all families who are eligible for the program. Recent estimates show that for every 100 Maryland families with children living in poverty, 25 receive TCA (CBPP, 2025).

Participation in Health, Nutrition, and Cash Safety Net Benefits after Exit

In addition to child support and TCA, families also participate in other safety net programs after their exits (Smith et al., 2024). Some safety net programs—including SNAP and TSS—offer transitional benefits following families' exits from TCA, which may mitigate the impact of benefit cliffs and support economic stability.[44] Other programs require families demonstrate financial need to receive them, including MA, SSI, and TCA. Figure 17 provides the percentage of exiting families in each SFY who received or participated in these safety net programs in their 1st year after exit. Following Figure 17, Figure 18 combines all leavers in SFYs 2020 through 2024 to explore how participation changed in the years following exit.

Receipt of Safety Net Benefits in First Year after Exit

Prior *Life After Welfare* studies show that an overwhelming majority of families remain eligible for MA after exit.[45] Figure 17 confirms this finding. More than nine in 10 families (93%-96%) who left TCA between 2020 and 2024 participated in MA in the 1st year after exit.

Similarly, a majority of families remain eligible for SNAP, due to the 5 months of transitional SNAP benefits they can receive after exiting TCA (FIA, 2023b). Nearly nine out of 10 (86%) exiting leavers in SFY 2020 participated in SNAP in the year after exit. This percentage decreased in years following the pandemic and increased in 2024. Among SFY 2024 leavers, eight in 10 (81%) participated in SNAP in the year after exit, an increase of 5 percentage points from SFY 2023 (76%).

It is unclear why leavers in SFYs 2022 and 2023 experienced lower SNAP participation rates. Although families who exited in these years had the highest median earnings across all 5 recent SFYs (see the *Employment & Earnings* chapter), policy states that the transitional SNAP benefit amount should not change even in situations in which earnings increase (FIA, 2023b). Only families that moved out of state or did not comply with certain TCA or SNAP program requirements are ineligible for transitional SNAP benefits. Therefore, one potential possibility is that there was an increase in noncompliance with TCA or SNAP program requirements, which may be reflected in transitional SNAP percentages.

Although MA and SNAP participation were highly common among exiting families, TSS receipt was less common. TSS provides an additional 3 months of cash benefits after exit for families who exited due to income that exceeds eligibility thresholds. To qualify, a portion of the income must be earned through employment (FIA, 2019). TSS cash benefits do not count toward the 60-month TCA time limit.

Nearly one in three (32%) families who exited in SFY 2024 received TSS, an increase of 11 percentage points over 2020 leavers. This trend aligns with a slight increase in cases that closed due to income exceeding eligibility thresholds, presented in the *Characteristics of Cases & Adult Recipients* chapter. Importantly, the percentage of cases that close due to income above eligibility limits does not match the percentage of cases that received TSS: this is because cases can

[44] Transitional SNAP benefits (FIA, 2023b) and TSS (FIA, 2019) are provided to families who meet eligibility requirements.

[45] Medical Assistance (MA) includes Medicaid as well as MCHP. MCHP is a program specifically for children whose families earn too much for Medicaid but not enough for private insurance (Maryland Department of Health, n.d.).

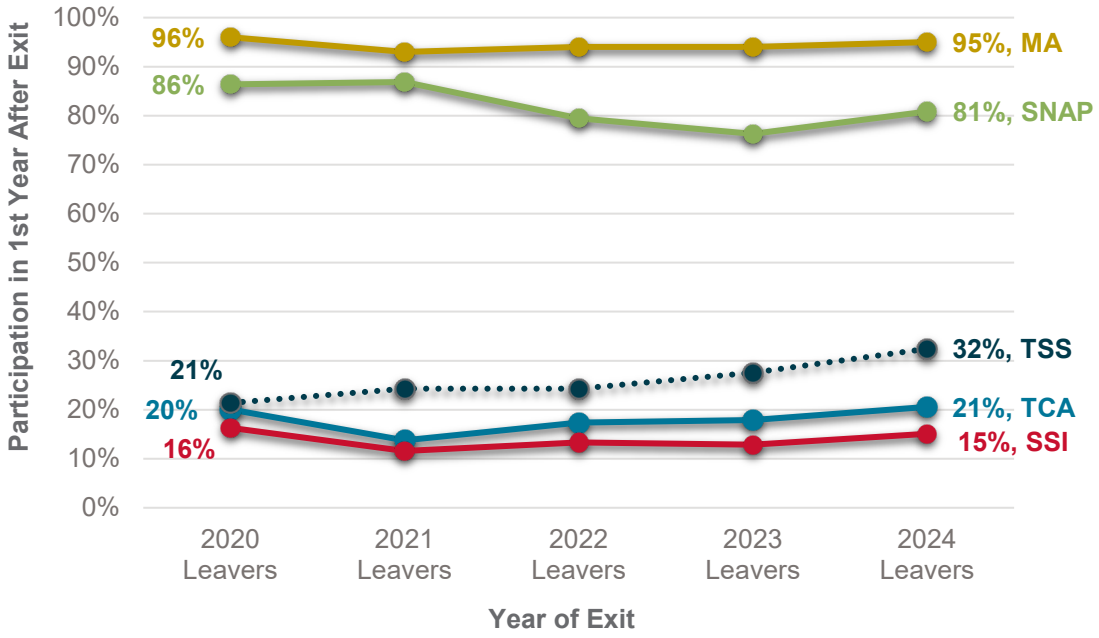
exceed eligibility limits from solely *un*earned income (e.g., UI benefits, child support, SSI or SSDI), which would not qualify them for TSS.

In contrast, participation in TCA in the 1st year after exit remained relatively stable in recent years, with a dip in participation among 2021 leavers. With the exception of 2021, between 17% and 21% of non-churn families who left returned to TCA within the 1st year after exit. This suggests that while many families are able to transition off cash assistance, a consistent share of families rely on it as a critical support during periods of financial instability.

The final safety net benefit Figure 17 explores is SSI. This means-tested program provides cash benefits to low-income individuals who meet age or disability status requirements (Duggan et al., 2014). During the study period, between 12% and 16% of exiting families received SSI in the 1st year after exit. Although not shown, 5% of TCA *case members*[46] who exited in 2024 received SSI. This is more than double the percentage (2%) of Maryland's entire population that received SSI (Office of Research, Evaluation, and Statistics, 2024, Table 13).

Figure 17. Program Participation in First Year After Exit: Trends by SFY

In the **1st year after TCA exit**, families commonly received support from SNAP and MA, while fewer received support from TCA, SSI, or TSS.



Note: Each year excludes cases without 1 year of follow-up data. See Appendix D for number of cases with follow-up data.

[46] Case members can be either a recipient or a non-recipient on the case.

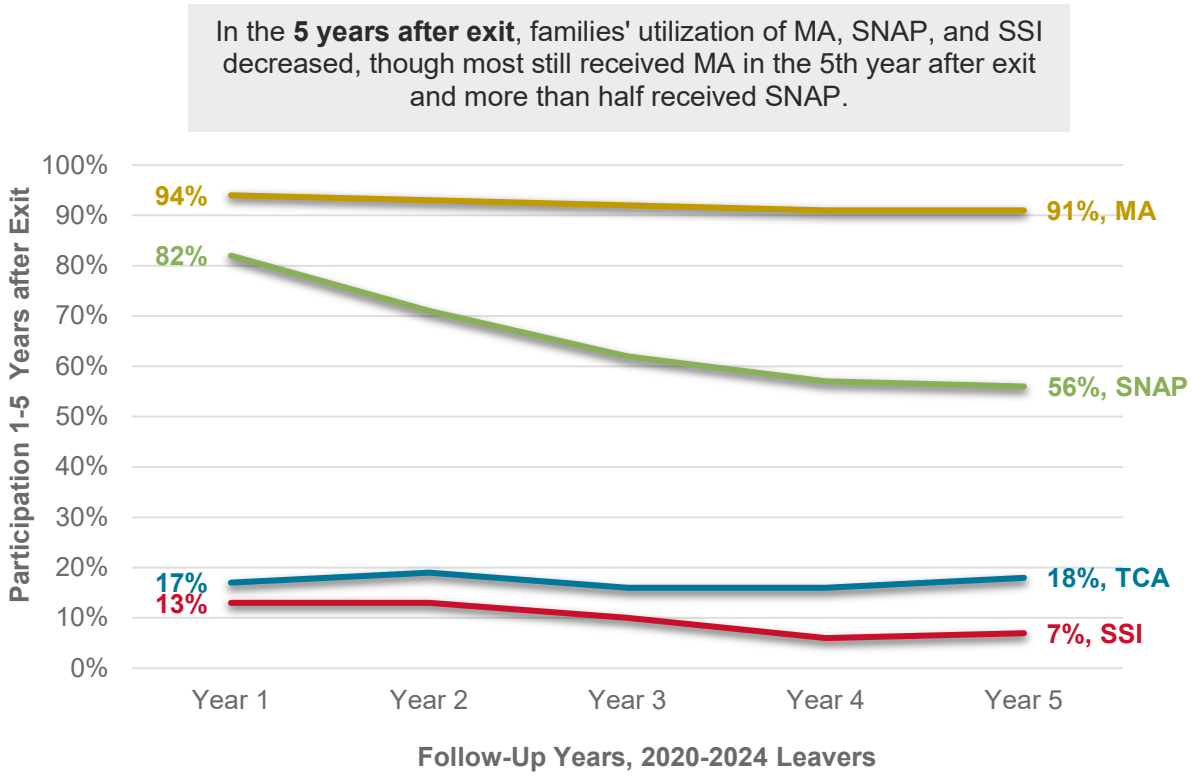
Receipt of Safety Net Benefits in Five Years after Exit

The *Employment & Earnings* chapter showed that even 5 years after exiting TCA, median earnings are not enough to meet the needs of families with children. Therefore, it is unsurprising that many families continue to depend on critical components of the safety net even 5 years after exit, as shown in Figure 18. Specifically, Figure 18 examines the 5 years after exit for families who left between SFYs 2020 and 2024. It provides the percentage of families who had at least one case member participating in MA, SNAP, TCA, or SSI. Importantly, it does not include TSS given that TSS is only available for 3 months following an exit.

By the 5th year after exit, most (91%) exiting families received MA and nearly three in five (56%) received SNAP. Each of these programs is means-tested, which indicates that a substantial percentage of families had extremely low incomes that qualified them for these benefits. To be sure, both MA (Lukens, 2024) and SNAP (Llobrera & Hall, 2025) are critical supports for workers employed in low-wage jobs.

Participation in TCA and SSI, on the other hand, were less common in the 5th year after exit. Notably, TCA participation remained relatively stable over the 5 years after exit (16-19%). SSI receipt decreased over time, however, from 13% in the 1st year after exit to only 7% in the 5th year after exit. It is unclear what is driving the decline in receipt. Importantly, as shown in Appendix D, the 5th year after exit includes only families who exited in the 1st half of SFY 2020. As time passes, it will be important to follow if this trend continues, because it could point to access challenges or difficulty maintaining eligibility (Schweitzer et al., 2022).

Figure 18. Program Participation in the Five Years After Exit: SFY 2020–2024 Leavers



Note: Each year excludes cases without the corresponding amount of follow-up data. See Appendix D for number of cases with follow-up data.

Disconnection from Income and Safety Net Benefits

Thus far, this chapter has demonstrated that many families receive additional income supports after TCA exit including child support, MA, SNAP, TSS, and SSI. In addition, some families return to TCA. Previous research demonstrates that in the 1st year after exit, more than half of families work and receive benefits or child support to supplement their incomes (Smith et al., 2024).

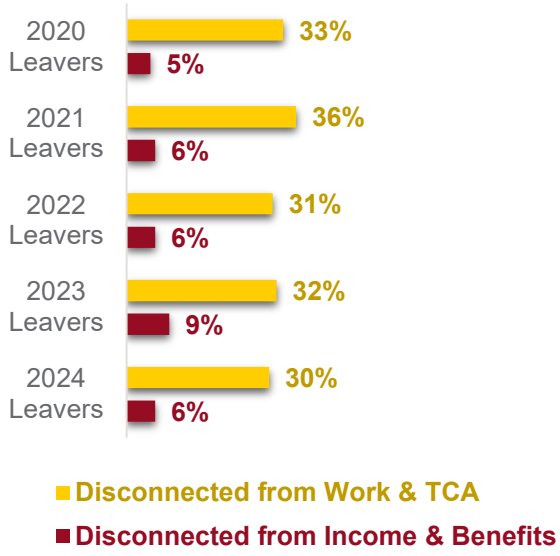
However, some families are disconnected, a term that describes varying situations in which individuals or families do not have earnings, cash benefits or supports, or non-cash benefits or supports. Disconnection has varying degrees: someone may be disconnected from *some* income sources and supports but not *all*. Alternatively, someone may be disconnected from *all* income sources and supports.

This report explores two measures of disconnection: (1) disconnection from work and TCA; and (2) disconnection from work, TCA, SNAP, SSI, and child support. Importantly, some studies use alternative definitions of disconnection.[47] Due to differences in how disconnection is defined across studies, estimates vary considerably.

Disconnection from both **WORK & TCA**	*Disconnection from all* **INCOME & BENEFITS**
•MD UI-earnings •TCA benefits	•MD UI-earnings •TCA benefits •SNAP benefits •SSI benefits •Child support payments

Consistent with previous research (see Cancian et al., 2014), *Life After Welfare* consistently shows that disconnection from both work and TCA is more common than disconnection from income and benefits. Figure 19 further illustrates this point: among SFY 2024 leavers, 30% were disconnected from Maryland UI-covered employment and TCA in the 1st year after exit, a percentage that has declined in recent years. However, only 5% were disconnected from Maryland UI-employment, TCA, SNAP, SSI, and child support payments.

Figure 19. Disconnection from Income Sources and Supports First Year after Exit: Trends by SFY



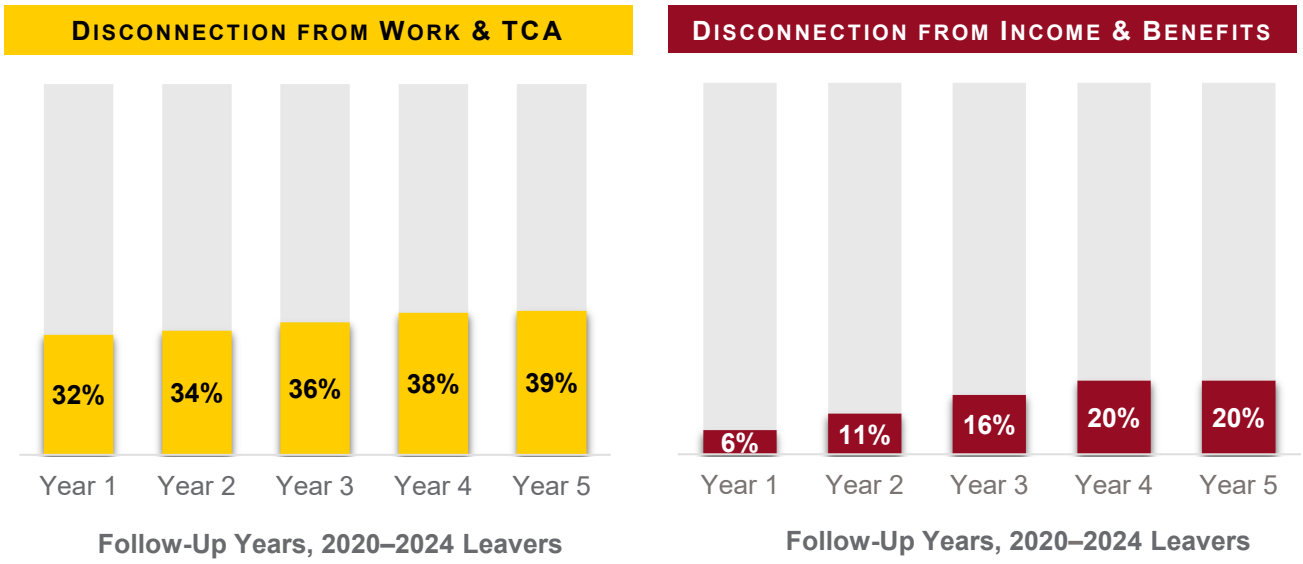
Note: Each year excludes cases without 1 year of follow-up data. See Appendix D for number of cases with follow-up data.

[47] For example, one definition of disconnection described mothers who were incarcerated as connected (i.e., receiving support) and therefore, *not* disconnected, despite not having earnings, benefits, or child support (Moore et al., 2012).

As time passes, families are more likely to become disconnected. Figure 20 shows the percentage of SFY 2020 to 2024 leavers who were disconnected from work and TCA or disconnected from income and benefits. As shown, disconnection from work and TCA increased 7 percentage points between the 1st year after exit (32%) and the 5th year after exit (39%). Disconnection from all measured income and benefits also increased, though at a faster rate. Among SFY 2020 to 2024 leavers, only 6% were disconnected from all measured income and benefits in the 1st year after exit, a percentage that more than tripled by the 5th year after exit (20%).

Certainly, the disconnection from income sources and benefits—and its growth over time—warrants further investigation to ensure economically disadvantaged families are receiving the support they need. However, it is also important to acknowledge the limitations of the disconnection analysis. For example, UI wage data may not capture all employment (see *Methods*), and these analyses do not capture other sources of support and income. Moreover, while formal disconnection using administrative data tell one story, qualitative data suggests that many women in disconnected families are connected to informal networks to meet basic needs, including family, friends, and community organizations (Hetling et al., 2013). Thus, the true percentage of families who are disconnected from all formal and informal employment and supports is likely lower than what is reported in Figures 19 and 20.

Figure 20. Disconnection from Income Sources and Supports Five Years After Exit: SFY 2020-2024 Leavers



Note: Each year excludes cases without the corresponding amount of follow-up data. See Appendix D for number of cases with follow-up data.

CONCLUSIONS

The release of this 30th edition of *Life After Welfare* marks a momentous milestone for UMSSW and MDHS. Maryland remains the only state to use its administrative data to consistently and publicly document the experiences of families who leave cash assistance. This government-academic partnership has built a vital bridge between social policy research and practice, transforming data into insights of the lives of families who leave TCA. Over the past three decades, this commitment has provided valuable information to a wide range of stakeholders, including local Maryland leaders as well as researchers, advocates, and social service leaders across the country.

This year's edition reiterates that TCA is a temporary economic support for very low-income families. A majority (68%) of families who left TCA in SFY 2024 received TCA for 1 year or less before leaving. Moreover, over the previous 5 years, exiting families had a median of only 15 months of TCA receipt.

This report also offers novel findings about families who left TCA between SFYs 2020 and 2024. Importantly, findings show that three out of five (61%, 2024) adult recipients were employed in the year after they left TCA. Roughly half of 2024 *employed* leavers had earnings in *all* 4 quarters after exit, while the other half had earnings for only part of the year. In addition, between the year before TCA entry and the year after exit, half of 2024 leavers either experienced earnings gains of $2,500 or more (37%), or they had consistent earnings (12%). Results disaggregated by race and ethnicity also yield new insights that help combat racialized stereotypes of the intersection between poverty, work, and race.

Still, earnings remained far below the income necessary to fully meet families' needs. In Maryland, the ALICE threshold[48] for a single adult with a child in child care is nearly $61,000 (United for ALICE, 2025b). Seven out of every 10 female-headed households in Maryland earn less than this threshold (United for ALICE, 2025a) suggesting that even TCA recipients likely continue to face economic insecurity after exit. Further evidence in this report shows a majority of families still had incomes low enough to participate in MA and SNAP in the years following their exits, both of which are means-tested. This is consistent with research that demonstrates these programs are critical supports for workers (Lukens, 2024; Llobrera & Hall, 2025).

There are a variety of reasons why leavers have low earnings and continue to qualify for means-tested benefits years after exiting TCA. Perhaps most importantly, low-income families face persistent structural and economic barriers that limit their ability to achieve financial stability. Employment in sectors that are essential to both the national and Maryland economies, such as retail, administrative and support services, and accommodation and food services (Office of the Comptroller, 2024), is common among TCA leavers. In fact, 39% of 2024 leavers were employed in these three sectors, which have lower quarterly median earnings than other sectors (approximately $5,350 or less).

These labor market constraints are compounded by earnings volatility—which affects both single-parent and dual-parent households (Bauer et al., 2025)—as well as limited opportunities for upward mobility in the workplace (Escobari et al., 2021). Fluctuating work hours and inconsistent employment are common among low-wage

[48] The ALICE threshold measures the earnings necessary to afford basic necessities, accounting for geographic variation (United for ALICE, 2025a).

jobs, making it difficult to earn steady income (Bauer et al., 2025; Safawi & Pavetti, 2020). Moreover, average earnings adjusted for inflation have declined in Maryland in recent years, further exacerbating financial insecurity (Urban Institute, 2025).

Beyond labor market dynamics, other structural barriers further limit families' abilities to achieve self-sustaining income. The national caregiving crisis (Dutta-Gupta, 2025) has significantly affected Maryland (Peusch, 2024). In fact, Maryland has experienced a decline in licensed child care providers in recent years (Comptroller of Maryland, 2024). Without reliable child care or after school care, parents can face challenges in maintaining consistent employment. Similarly, gaps in transportation infrastructure restrict access to job opportunities (GWDB, 2024; Schuyler, 2024).

These interconnected challenges can reinforce cycles of economic hardship, especially in the wake of a shifting economic landscape. The state is currently facing rising unemployment (BLS, 2025) in part due to mass layoffs from the federal government throughout 2025 (Pilsbury, 2025). In addition, there is increasing uncertainty about Maryland's economic future with continued federal layoffs (Hsu & Fowler, 2025), and a recession on the horizon (Hogan, 2025). In this context, the release of the 30th edition of *Life After Welfare* offers an opportunity to pause and find steadiness in an ever-changing policy and economic environment. This research stands as a testament to Maryland's commitment to making informed, evidence-based program and policy decisions that support the families it serves. By providing timely, empirical insights, this equips policymakers, practitioners, researchers, and advocates with the information they need to understand the realities of Marylanders experiencing economic instability and shape responsive, equitable policies for the future.

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APPENDIX A: LIFE AFTER WELFARE SAMPLE & POPULATION CHANGES: 1997-2025

Table A1. Life After Welfare Sample & Population Changes: 1997-2025

Study Years	Study Months	Sampling Strategy	Definition of an Exit	Additional Notes
First *Life After Welfare* study (1997) through 2001 updates	1997: 10/96 – 03/97 1998: 10/96 – 03/98 1999-1: 10/96 – 03/98 1999-2: 10/96 – 03/99 2000: 10/96 – 03/00 2001: 10/96 – 03/01	5% simple random sample of all TCA cases that closed each month	Exit defined as a case that closed and **did not reopen on the same day**. Cases that closed and reopened on the same day were excluded from the population before the sample was selected.	N/A
2002 through 2011 updates	2002: 10/96 – 03/02 2003: 10/96 – 03/03 2004: 10/96 – 03/04 2005: 10/96 – 03/05 2006: 10/96 – 03/06 2007: 10/96 – 03/07 2008: 10/96 – 03/08 2009: 10/96 – 03/09 2010: 10/96 – 03/10 2011: 10/96 – 03/11	5% simple random sample of all TCA cases that closed each month	Exit defined as a case that closed and **remained closed for at least one month**. Cases that reopened before one month (churners) were excluded from analyses **after** sample was selected from the population.	N/A
2012 and 2013 updates	2012: 10/96 – 03/12 2013: 10/96 – 03/13	5% simple random sample of all non-churn TCA cases that closed each month	Exit defined as a case that closed and remained closed for at least one month. Cases that reopened before one month (churners) were excluded from the population **before** the sample was selected.	N/A
2014 through 2019 updates	2014: 04/07 – 03/14 2015: 04/07 – 03/15 2016: 04/07 – 03/16 2017: 04/07 – 03/17 2018: 04/07 – 03/18 2019: 04/07 – 03/19	5% simple random sample of all non-churn TCA cases that closed each month	Exit defined as a case that closed and remained closed for at least one month. Cases that reopened before one month (churners) were excluded from the population before the sample was selected.	2014-2019: Changed study months to focus on more recently closed cases 2017-2019: Included **all adult recipients** in analyses. Prior reports focused on payees (head of households) only

Study Years	Study Months	Sampling Strategy	Definition of an Exit	Additional Notes
2020 update	2020: 07/12 – 06/19	Stratified random sample that yields a 99% confidence interval with a 3% margin of error	Exit redefined as a case that closed and **remained closed for two months**. Cases that reopened before two months (churners) were excluded from the population before the sample was selected.	Sample was redefined to align with state fiscal years, which run from July through June, and to focus on more recently closed cases
2021 and 2022 updates	2021: 07/16 – 12/20 2022: 07/12 – 12/21	Stratified random sample that yields a 99% confidence interval with a 3% margin of error	Exit defined as a case that closed and **remained closed for two months**. Cases that reopened before two months (churners) were excluded from the population before the sample was selected.	Additional months beyond the end of the state fiscal year are included to provide more timely information about families who left during the COVID-19 pandemic
2023 through 2025 updates	2023: 07/16 – 06/22 2024: 07/16 – 06/23 2025: 07/19 – 06/24	Population of closures	Exit defined as a case that closed and had a minimum two-month break in benefits. Cases that reopened before two months (churners) were excluded from the population along with duplicate closures and closures missing necessary information.	Study period aligns with state fiscal years. 2025: Stratified findings by SFYs

APPENDIX B: CHURN EXAMPLES

Figure B1. Churn Examples

January	February	March	April	May	June	Churn
Received	Received	Received	Received	Case Closed	Received	Partial Churn *Reopened within 1 month, had no break in benefits*
Received	Received	Received	Case Closed		Received	Churn *Reopened within 2 months, and had a full 1-month break in benefits*
Received	Received	Case Closed			Received	Non-Churn *Reopened within 3 months and had a full 2-month break in benefits*

APPENDIX C: EMPLOYMENT DATA AVAILABILITY

Table C1. Follow-up Employment Data Availability as of April 2025

	Follow-up Data Available				
Year/Quarter of TCA Exit	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**
SFY 2020					
Q1 (July 2019 – September 2019)	✓	✓	✓	✓	✓
Q2 (October 2019 – December 2019)	✓	✓	✓	✓	✓
Q3 (January 2020 – March 2020)	✓	✓	✓	✓	*(Avail. Jul. 2025)*
Q4 (April 2020 – June 2020)	✓	✓	✓	✓	*(Avail. Oct. 2025)*
SFY 2021					
Q1 (July 2020 – September 2020)	✓	✓	✓	✓	*(Avail. Jan. 2026)*
Q2 (October 2020 – December 2020)	✓	✓	✓	✓	*(Avail. Apr. 2026)*
Q3 (January 2021 – March 2021)	✓	✓	✓	*(Avail. Jul. 2025)*	*(Avail. Jul. 2026)*
Q4 (April 2021 – June 2021)	✓	✓	✓	*(Avail. Oct. 2025)*	*(Avail. Oct. 2026)*
SFY 2022					
Q1 (July 2021 – September 2021)	✓	✓	✓	*(Avail. Jan. 2026)*	*(Avail. Jan. 2027)*
Q2 (October 2021 – December 2021)	✓	✓	✓	*(Avail. Apr. 2026)*	*(Avail. Apr. 2027)*
Q3 (January 2022 – March 2022)	✓	✓	*(Avail. Jul. 2025)*	*(Avail. Jul. 2026)*	*(Avail. Jul. 2027)*
Q4 (April 2022 – June 2022)	✓	✓	*(Avail. Oct. 2025)*	*(Avail. Oct. 2026)*	*(Avail. Oct. 2027)*
SFY 2023					
Q1 (July 2022 – September 2022)	✓	✓	*(Avail. Jan. 2026)*	*(Avail. Jan. 2027)*	*(Avail. Jan. 2028)*
Q2 (October 2022 – December 2022)	✓	✓	*(Avail. Apr. 2026)*	*(Avail. Apr. 2027)*	*(Avail. Apr. 2028)*
Q3 (January 2023 – March 2023)	✓	*(Avail. Jul. 2025)*	*(Avail. Jul. 2026)*	*(Avail. Jul. 2027)*	*(Avail. Jul. 2028)*
Q4 (April 2023 – June 2023)	✓	*(Avail. Oct. 2025)*	*(Avail. Oct. 2026)*	*(Avail. Oct. 2027)*	*(Avail. Oct. 2028)*
SFY 2024					
Q1 (July 2023 – September 2023)	✓	*(Avail. Jan. 2026)*	*(Avail. Jan. 2027)*	*(Avail. Jan. 2028)*	*(Avail. Jan. 2029)*
Q2 (October 2023 – December 2023)	✓	*(Avail. Apr. 2026)*	*(Avail. Apr. 2027)*	*(Avail. Apr. 2028)*	*(Avail. Apr. 2029)*
Q3 (January 2024 – March 2024)	*(Avail. Jul. 2025)*	*(Avail. Jul. 2026)*	*(Avail. Jul. 2027)*	*(Avail. Jul. 2028)*	*(Avail. Jul. 2029)*
Q4 (April 2024 – June 2024)	*(Avail. Oct. 2025)*	*(Avail. Oct. 2026)*	*(Avail. Oct. 2027)*	*(Avail. Oct. 2028)*	*(Avail. Oct. 2029)*

Example: For a case that closed in March 2020, the quarter of exit is the 3rd quarter of SFY 2020 and the 1st quarter after exit is the 4th quarter of SFY 2020. The 20th quarter after exit (5 years of follow-up data) became available in mid-July 2025. This study included data that was available as of April 2025. See the methods chapter for more information.

APPENDIX D: COUNTS FOR FOLLOW-UP ANALYSES

Table D1. Counts for Participation Analyses

	Month of Exit	Follow-Up Years After TCA Exit: Year 1	Year 2	Year 3	Year 4	Year 5
SFY 2020 Total Cases: 6,677						
Cases excluded due to insufficient follow-up time	*0*	*0*	*0*	*0*	*0*	*2,414*
Count of Cases for 2020 Analysis	**6,677**	**6,677**	**6,677**	**6,677**	**6,677**	**4,263**
SFY 2021 Total Cases: 9,810						
Cases excluded due to insufficient follow-up time	*0*	*0*	*0*	*0*	*3,624*	*9,810*
Count of Cases for 2021 Analysis	**9,810**	**9,810**	**9,810**	**9,810**	**6,186**	**0**
SFY 2022 Total Cases: 8,511						
Cases excluded due to insufficient follow-up time	*0*	*0*	*0*	*5,640*	*8,511*	*8,511*
Count of Cases for 2022 Analysis	**8,511**	**8,511**	**8,511**	**2,871**	**0**	**0**
SFY 2023 Total Cases: 10,512						
Cases excluded due to insufficient follow-up time	*0*	*0*	*4,331*	*10,512*	*10,512*	*10,512*
Count of Cases for 2023 Analysis	**10,512**	**10,512**	**6,181**	**0**	**0**	**0**
SFY 2024 Total Cases: 9,359						
Cases excluded due to insufficient follow-up time	*0*	*4,509*	*9,359*	*9,359*	*9,359*	*9,359*
Count of Cases for 2024 Analysis	**9,359**	**4,850**	**0**	**0**	**0**	**0**
SFY 2020 – 2024 Total Cases: 44,869						
Cases excluded due to insufficient follow-up time	*0*	*4,509*	*13,690*	*25,511*	*32,006*	*40,606*
Final Count of Cases for 2020 – 2024 Analysis	**44,869**	**40,360**	**31,179**	**19,358**	**12,863**	**4,263**

Notes: The darker-shade rows represent the count of non-churn, unduplicated cases that closed in the associated time period (e.g., SFY 2024). The *Count of Cases for Analysis* row reflects the number of cases with sufficient follow-up time for each associated time period. Cases are excluded if the family exited TCA too recently to observe outcomes for the full follow-up period (e.g., fewer than 12 months for Year 1). These counts apply to participation-related analyses, which include TCA, SNAP, child support, SSI, TSS, and MA. Valid percentages are reported for all analyses in this report. For more information, see the *Methods* chapter.

Table D2. Counts for Employment Analyses

	Quarter of Exit	Follow-Up Years After TCA Exit: Year 1	Year 2	Year 3	Year 4	Year 5
SFY 2020 Total Recipients: 5,577						
Recipients excluded due to insufficient follow-up time or identifying information	*18*	*18*	*18*	*18*	*18*	*2,027*
Count of Recipients for 2020 Analysis	**5,559**	**5,559**	**5,559**	**5,559**	**5,559**	**3,550**
SFY 2021 Total Recipients: 9,263						
Recipients excluded due to insufficient follow-up time or identifying information	*22*	*22*	*22*	*22*	*3,482*	*9,263*
Count of Recipients for 2021 Analysis	**9,241**	**9,241**	**9,241**	**9,241**	**5,781**	**0**
SFY 2022 Total Recipients: 8,100						
Recipients excluded due to insufficient follow-up time or identifying information	*32*	*32*	*32*	*5,341*	*8,100*	*8,100*
Count of Recipients for 2022 Analysis	**8,068**	**8,068**	**8,068**	**2,759**	**0**	**0**
SFY 2023 Total Recipients: 9,946						
Recipients excluded due to insufficient follow-up time or identifying information	*167*	*167*	*4,334*	*9,946*	*9,946*	*9,946*
Count of Recipients for 2023 Analysis	**9,779**	**9,779**	**5,612**	**0**	**0**	**0**
SFY 2024 Total Recipients: 9,573						
Recipients excluded due to insufficient follow-up time or identifying information	*389*	*4,898*	*9,573*	*9,573*	*9,573*	*9,573*
Count of Recipients for 2024 Analysis	**9,184**	**4,675**	**0**	**0**	**0**	**0**
SFY 2020 – 2024 Total Recipients: 42,459						
Recipients excluded due to insufficient follow-up time or identifying information	*628*	*5,137*	*13,979*	*24,900*	*31,119*	*38,909*
Count of Recipients for 2020 – 2024 Analysis	**41,831**	**37,322**	**28,480**	**17,559**	**11,340**	**3,550**

Notes: The darker-shade rows represent the count of non-churn, unduplicated cases that closed in the associated time period (e.g., SFY 2024). The *Count of Cases for Analysis* row reflects the number of cases with sufficient follow-up time for each associated time period. Cases are excluded if the family exited TCA too recently to observe outcomes for the full follow-up period (e.g., fewer than 12 months for Year 1) or if they are missing identifying information. These counts apply to employment-related analyses. Valid percentages are reported for all analyses in this report. For more information, see the *Methods* chapter.

APPENDIX E: LENGTH OF EXITING SPELL TRENDS OVER TIME

Table E1. Length of Exiting Spell: Trends by SFY

Spell Length	2020	2021	2022	2023	2024
12 or fewer months	80%	78%	40%	52%	68%
13 to 24 months	10%	14%	39%	14%	15%
25 to 36 months	3%	3%	13%	22%	5%
37 to 48 months	2%	2%	3%	6%	6%
49 to 60 months	1%	1%	1%	2%	3%
More than 60 months	3%	2%	3%	4%	4%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Note: The length of the TCA spell is the difference between the date of TCA application and the date of TCA exit.

APPENDIX F: DETAILED INDIVIDUAL EMPLOYMENT CHANGES

Table F1. Detailed Individual Employment Changes: Pre-TCA Entry to Post-TCA Exit: Trends by SFY

	2020	2021	2022	2023	2024
INCREASED EMPLOYMENT					
None to Partial	9%	8%	9%	7%	9%
None to Full	7%	5%	8%	9%	10%
Partial to Full	10%	9%	11%	11%	10%
CONSISTENT EMPLOYMENT					
Partial to Partial	14%	12%	13%	13%	12%
Full to Full	13%	14%	15%	15%	12%
DECREASED EMPLOYMENT					
Full to Partial	10%	9%	6%	6%	7%
Partial to None	11%	12%	9%	9%	9%
Full to None	5%	6%	3%	3%	3%
NO EMPLOYMENT					
None to None	23%	25%	26%	27%	27%
TOTAL	100%	100%	100%	100%	100%

Note: This analysis captures the change in employment from the year prior to the quarter of TCA entry (pre-TCA) to the year after the quarter of exit (post-TCA), based on a single observed spell of TCA participation. The "pre" and "post" periods refer specifically to the time surrounding this one spell of TCA. Some individuals may have had additional TCA spells in the year before or after the spell captured in the *Life After Welfare* study, which are not reflected in this analysis. See the beginning of the employment chapter for additional methodological notes. The callout on p.30 provides definitions for categories of employment changes.

APPENDIX G: LONGITUDINAL EMPLOYMENT & EARNINGS BY RACE/ETHNICITY

To ensure each race and ethnicity had enough leavers to estimate employment in each follow-up year, this appendix groups SFY 2020 through 2024 leavers together. In the 1st year after exit, between 38% (Asian) and 65% (Black) of leavers were employed (Table G1). Black leavers had the highest rate of employment across all races and ethnicities. Most racial and ethnic groups experienced employment declines over time, and White leavers experienced the largest employment decline between the 1st and 5th year after exit (53% to 44%). Hispanic leavers had stable employment across the 5 years, ranging from 50-52% in each year after exit.

Median earnings in the years after exit vary substantially (Table G2). Asian recipients consistently had the highest median earnings in each of the 5 years after exit. In the 1st year after exit, they earned approximately $24,300, and by the 5th year, they earned about $32,000, an increase of nearly $8,000. In contrast, Black recipients had the lowest earnings in each of the 5 years after exit, with a median of about $16,700 in the 1st year and only $21,100 in the 5th year. This increase was also the smallest increase of any racial or ethnic group with available data (increase of about $4,400 over a 5-year period).

Indigenous recipients had mid-range median earnings in the 1st year after exit ($17,100), though they experienced the largest earnings gain over time, reaching a median of almost $30,000 in the 5th year. This was an increase of approximately $12,600. Hispanic recipients had the second-largest increase over the 5-year period, with median earnings increasing more than $9,000 between the 1st ($20,103) and 5th ($29,797) years after exit. Finally, White recipients had the second lowest earnings across all races and ethnicities in each year after exit, starting at $16,700 in the 1st year and reaching $22,500 in the 5th year.

Table G1. Percentage of Adult Recipients Employed Five Years after Exit by Race/Ethnicity: SFY 2020–2024 Leavers

	Year after Exit				
	Year 1	Year 2	Year 3	Year 4	Year 5
Asian^	38%	38%	39%	36%	34%
Black^	65%	63%	63%	61%	60%
Hispanic	52%	50%	50%	50%	50%
Indigenous Peoples^†	54%	53%	52%	47%	61%
White^	53%	51%	50%	48%	44%
Other^	40%	36%	*	#	#
All Adult Recipients	**60%**	**58%**	**58%**	**56%**	**56%**

Note: ^Non-Hispanic/Latinx. †Indigenous Peoples includes individuals who identify as Native American, American Alaska Native, Native Hawaiian, or other Pacific Islander. *Data suppressed due to small counts. #There were no adult recipients in the *Life After Welfare* population with follow-up data in years 4 or 5. See important analysis notes at the beginning of the employment chapter.

Table G2. Median Earnings of Employed Adult Recipients Employed Five Years After Exit, by Race/Ethnicity: SFY 2020–2024 Leavers

	Year after Exit				
	Year 1	Year 2	Year 3	Year 4	Year 5
Asian^	$24,337	$26,247	$27,956	$31,294	$32,078
Black^	$16,708	$19,191	$20,902	$22,117	$21,135
Hispanic	$20,103	$26,080	$26,559	$27,191	$29,427
Indigenous Peoples^†	$17,144	$24,458	$25,274	$29,514	$29,797
White^	$16,725	$20,480	$22,549	$23,226	$24,632
Other^	$21,308	$23,541	*	#	#
All Adult Recipients	**$17,027**	**$19,916**	**$21,668**	**$22,844**	**$22,476**

Note: ^Non-Hispanic/Latinx. †Indigenous Peoples includes individuals who identify as Native American, American Alaska Native, Native Hawaiian, or other Pacific Islander. *Data suppressed due to small counts. #There were no adult recipients in the *Life After Welfare* population with follow-up data in years 4 or 5. See important analysis notes at the beginning of the employment chapter.