

The Housing Situation of Low-Income Families in Milwaukee

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Abstract

This article uses survey findings to explain the housing situation of low-income families living in Milwaukee. The survey was conducted in late 1998 using a random sample of families that were on welfare in August 1997, the month before Wisconsin implemented its welfare replacement program, Wisconsin Works (W-2). The survey was conducted to examine the conversion process from welfare to W-2. In the analysis presented here, the survey's seven housing questions were used as a lens through which to view family circumstances. The results show that roughly a quarter of the respondents had worst-case housing needs.

Although respondents with worst-case housing needs were similar to other respondents in many respects, they were less likely to live with another adult, less likely to work, and more likely to rely on government assistance. Respondents receiving housing assistance were more likely to receive government benefits and had lower total income and lower earnings from employment than those not receiving housing assistance, despite similar employment rates for the two groups. Respondents receiving housing assistance, however, reported a higher standard of living than other respondents. Working respondents had much higher incomes, with only slightly higher rents, and reported a higher standard of living than unemployed respondents.

In September 1997, Wisconsin implemented one of the country's most ambitious welfare-to-work programs, Wisconsin Works (W-2). Representing a fundamental shift away from the former Aid to Families with Dependent Children (AFDC) program, W-2 eliminates the entitlement to cash assistance offered under AFDC and instead embraces the work-first model, moving individuals into employment as quickly as possible. Since the implementation of W-2, welfare caseloads in the state have declined precipitously¹ and employment rates for low-income parents have also increased. From 1997 to 1999 alone, the percentage of low-income parents in Wisconsin who were working at least part time increased from 74 to 80 percent (Urban Institute, 2000).

Obtaining that first job, however, is just the beginning of a family's advancement out of poverty. As more parents enter the workforce, welfare policymakers and researchers are

reexamining the challenges faced by low-income working parents, many of whom are outside the boundaries of the traditional welfare system. One such challenge is the cost of housing. Families that dedicate a large proportion of their income to housing often cannot pay for other necessities. Moreover, high housing costs cause some families to move frequently, which may have a detrimental effect on parents' employment stability and children's academic achievement.

To better explain the housing situation of low-income families in Milwaukee, where the majority of the state's welfare recipients reside, this analysis focuses on three questions:²

1. Who has worst-case housing needs?
2. Are families that receive housing assistance better off than other families?
3. Do working families have better housing situations than nonworking families?

Study Methodology

The data used in this analysis were originally compiled for the report *Converting to Wisconsin Works: Where Did Families Go When AFDC Ended in Milwaukee?* (Swartz et al., 1999). The report, published in December 1999 by the Hudson Institute in collaboration with Mathematica Policy Research (MPR), is based on interviews conducted with Milwaukee residents who were receiving AFDC in August 1997.³

To examine the conversion process in Milwaukee, interviews were conducted roughly 14 to 17 months after the start of W-2. The survey collected data on the personal characteristics of former AFDC recipients, their experiences in converting from AFDC to W-2, and their economic status at the time of the interview (including reliance on public assistance, employment, income, social support systems, and housing situation).

Although the survey was not designed as a housing study, it worked reasonably well for this purpose. I used the survey's seven housing-related questions as a lens through which to view family circumstances:

1. What is your current housing arrangement? Do you rent, own your own home, live with a friend or relative, live in a shelter, or are you homeless and living on the street?
2. How many months have you been living in your current housing arrangement?
3. Do you currently live in public housing—that is, housing that is owned or operated by a local housing authority or other government agency?
4. Does your household currently pay less for housing because the government pays part of the cost? For example, does your household receive a rent subsidy or a voucher from the local housing authority to help pay the rent?
5. Last month, how much did you pay for your housing?
6. Have you lived in an emergency shelter or domestic violence shelter at any time in the past year?
7. Have you been homeless and living on the street at any time in the past year?⁴

These and other questions were posed to 296 survey respondents. MPR conducted the half-hour interviews between October 1998 and February 1999 using a random sample of 400 cases.⁵ As a result, 74 percent of the sample completed an interview.⁶ A comparison

of respondents and nonrespondents found no significant differences across most demographic measures.

Because the sample was drawn from families receiving AFDC the month before W-2 was implemented, this is not a “leavers study.” Rather, when AFDC ended, some respondents converted to W-2 or began receiving another form of government assistance, some found jobs, and some pursued different strategies.⁷ As such, this sample is a useful, although imperfect, sample of low-income families in Milwaukee.

Who Has Worst-Case Housing Needs?

The U.S. Department of Housing and Urban Development defines renters with *worst-case* housing needs as renters who earn less than 50 percent of the area’s median annual income (\$26,950 in Milwaukee during the study period), do not receive government housing assistance, and pay more than half of their income for housing or live in severely substandard housing.

Given the limitations of the data, I tried to keep as close to this definition as possible. All the respondents had incomes below half of the area’s median annual income and most, although not all, were renters. Because this survey did not ask about housing quality, I was unable to determine whether any respondents met the definition of worst-case housing needs because of substandard housing.

To estimate rent burden, I divided the amount the respondent reported paying in rent or mortgage payments (utilities may or may not have been included in the rent reported) by the respondent’s reported total family income.⁸ I opted to disregard self-reported receipt of housing assistance in determining who had worst-case housing needs because, as I discuss below, a notable minority of families paying more than 50 percent of their monthly income in rent also had housing assistance.

To estimate the number of respondents who had worst-case housing needs, I grouped respondents into three categories based on their rent burden (that is, the percentage of total income spent on rent):

1. **No rent burden:** renters meeting the housing affordability standard—that is, paying less than 30 percent of their total family income for housing (53 percent of respondents).
2. **Moderate rent burden:** renters paying between 30 and 50 percent of their total family income for housing (22 percent of respondents).
3. **Severe rent burden (worst-case housing needs):** renters paying more than 50 percent of their total family income for housing (25 percent of respondents).

Demographically, the three groups were similar. Both respondents with and without worst-case housing needs were, on average, African-American women in their early 30s and had between two and three children, with the youngest averaging age 5½ years. Respondents with worst-case housing needs were slightly more likely than others (39 percent compared with 32 percent, respectively) to report a work-limiting disability, but the major difference was the likelihood of having another adult in the household. Almost half (47 percent) of respondents with no or moderate rent burdens had at least one other adult (for example, a person over age 18) in the household compared with just 29 percent of respondents with worst-case housing needs (see exhibit 1).

Exhibit 1

Housing Situation by Rent Burden, Milwaukee: 1998

Housing Situation	Rent Burden		Worst-Case Housing Needs
	None	Moderate	
At least one other adult in household (%)	49	43	29
≤ 3 household members (%)	37	40	52
Average monthly rent (\$)	232	403	444
1+ years in current apartment (%)	57	55	46
Housing assistance (%)	36	18	13

Source: Swartz et al. (1999).

Housing Situation

Very few respondents reported rents at or above the fair market rent (FMR) for Milwaukee in 1998, the year for which the majority of respondents provided housing information. At that time, the FMR for a two-bedroom apartment was \$593. Only 5 percent of respondents reported rents as high as \$593. In contrast, most respondents reported rents under \$400. Because 45 percent of respondents reported another adult in the household, it is possible, although impossible to tell from these data, that some respondents reported only their portion of the rent. Yet when earnings from other household members were excluded, the distribution of respondents across the three groups did not change dramatically: 48 percent with no rent burden, 25 percent with a moderate rent burden, and 27 percent with a severe rent burden.

Respondents with worst-case housing needs paid the highest rents, averaging \$444 per month—almost double what respondents with no rent burden paid. In addition, those with worst-case housing needs were less likely to be receiving housing assistance and had less stable housing situations—that is, they had moved at least once in the previous year.

Respondents with worst-case housing needs, however, were not more likely than other respondents to report being homeless or living in a shelter in the previous year, which was roughly 7 percent for each group. Although I included both housing subsidies and public housing in the estimates of receipt of housing assistance, none of the respondents with worst-case housing needs received housing vouchers. Rather, the 13 percent who reported receiving housing assistance all lived in public housing.

Respondents with worst-case housing needs reported living in smaller households (fewer total household members) than other respondents. On the one hand, living in a smaller household might have meant that the respondent could save on rent by living in a smaller apartment. On the other hand, it may have meant that there were fewer household members, attributable primarily to fewer adults, to contribute to the total household income.

Respondents with no rent burden were meeting the housing affordability standard through a combination of lower rents and higher incomes. Their average rent was just half the rent paid by those with worst-case housing needs. Part of this low average rent was fueled by at least two factors: 11 percent reported no housing costs, and another 36 percent received housing assistance. When respondents reporting no rent were taken out of the calculation, the average rent for those without a rent burden increased to \$261.

Total Income

Not only were their rents low, but respondents with no rent burden also had higher total incomes than other respondents (see exhibit 2). On average, respondents with no rent burden had \$940 more per month in total income than those with worst-case housing needs. Differences were also found in the sources of that income. Respondents with worst-case housing needs relied more heavily on government benefits as a percentage of monthly income than respondents with no rent burden (63 and 32 percent, on average, respectively).

In contrast, respondents with no rent burden received most of their income from earnings. Earnings—the respondent’s and other household members’—accounted for 58 percent of the total income in households with no rent burden but only 27 percent of the total income in households with worst-case housing needs.

Notably, the worst-case group reported few earnings from other household members. Only 5 percent of those with worst-case housing needs compared with 25 percent of those with no rent burden reported earned income from other household members, indicating that some former AFDC recipients kept their rent burdens low by living with other wage earners.

Housing Gap

Using these findings, I attempted to estimate the gap between respondents’ total monthly income and their ability to pay rent. To calculate the “housing gap,” I subtracted the monthly household rent from the monthly amount that the household had available for rent, defined as 30 percent of the household’s total monthly income. For this analysis, I excluded the cases that reported paying no rent in the previous month.

Exhibit 2

Monthly Income by Rent Burden (\$), Milwaukee: 1998

Income Source	Rent Burden		Worst-Case Housing Needs
	None	Moderate	
Earnings	619	329	133
Government assistance ^a	463	597	326
Income from other household members	233	37	8
Child support ^b (formal and informal)	65	52	21
Other	76	31	28
Total income	1,456	1,046	516

^aWisconsin Works (W-2), food stamps, Supplemental Security Income (SSI), Kinship Care, unemployment compensation, emergency assistance, Social Security.

^bUnder Aid to Families with Dependent Children (AFDC), the children of parents receiving SSI and children living with and being cared for by a relative who is not legally responsible received an AFDC grant targeted to meet the need of the child only. These cases were called child-only grants because the head of the family—either the SSI parent or the caretaker relative—was not included in the grant calculation. With the implementation of W-2 and its strong work requirements, Wisconsin policymakers created two programs to serve parents or caretakers who are either unable to work (the SSI caretaker supplement for SSI parents) or who should not be required to work (the Kinship Care program for caretaker relatives). Neither program has a time limit or work requirement.

Source: Swartz et al. (1999).

Exhibit 3

Monthly Housing Gap by Rent Burden (\$), Milwaukee: 1998

Gap	Rent Burden		Worst-Case Housing Needs
	None	Moderate	
Between actual rent and ability to pay ^a	+196	-89	-289
Between fair market rent and ability to pay	-156	-279	-483

^aExcludes respondents who reported no housing costs.

Source: Swartz et al. (1999).

The average housing gap for those with worst-case housing needs was -\$289 compared with -\$89 for those with a moderate rent burden (see exhibit 3). In contrast, those with no rent burden had a positive housing gap of \$196, meaning that they could afford \$196 more in housing costs without crossing the affordability threshold. When looking at all respondents, roughly 19 percent were within \$50 of their housing affordability standard. Another 42 percent had money left over after meeting their housing needs, and 39 percent had a housing gap of more than -\$50.

My housing-gap calculations differ from those used in similar studies in that I compared household income with reported rent, not the FMR. I hesitated to use the FMR because, as was noted previously, very few survey respondents reported rents close to the FMR. If I had used the FMR, almost 85 percent of respondents would have had a housing gap of -\$50 or more.

Overall Well-Being

Almost three-quarters of respondents with worst-case housing needs had received some type of help from family, friends, and neighbors in the previous month, and more than half had received help from a community group in the previous 18 months (see exhibit 4).⁹ Somewhat surprising, however, those with worst-case housing needs were not considerably more likely to report a poor or very poor standard of living than were families without severe rent burdens. One might have expected lower standards of living for respondents who allocated more than half of their income to rent.

Exhibit 4

Family and Community Supports Received by Housing Burden (%), Milwaukee: 1998

Variable	Rent Burden		Worst-Case Housing Needs
	None	Moderate	
Help from family, friends, and neighbors in past month	66	69	72
Help from community groups since AFDC ended	30	47	54
Poor standard of living	12	19	18

AFDC = Aid to Families with Dependent Children.

Source: Swartz et al. (1999).

Are Families That Receive Housing Assistance Better Off Than Other Families?

Roughly one-quarter of respondents said that they were receiving some type of housing assistance at the time of the interview. Most—approximately 19 percent—were living in public housing; the rest—6 percent—were receiving a housing subsidy.¹⁰

In many ways, those receiving housing assistance were similar to those who did not. Respondents in both groups, on average, were in their early 30s and had between two and three children, with the youngest averaging age 5½ years. Respondents receiving housing assistance, however, were more likely to be African American and were more likely to report living with fewer household members. Half of all respondents receiving housing assistance lived in households of three or fewer people compared with 37 percent of those not receiving housing assistance (see exhibit 5). In addition, those receiving housing assistance paid substantially lower rents and lived in more stable housing situations than others.

The last three comparisons—household size, amount of rent, and housing stability—are, to some degree, functions of receiving housing assistance. Housing authorities often have strict rules about who can live in a household receiving housing assistance, making it difficult for nonfamily members to live together. Similarly, lower rents and more stable housing situations are expected when families receive housing assistance, which reduces their rent-to-income ratio, making housing more affordable and reducing the need to move.

Total Income

Although respondents receiving housing assistance were almost as likely as others to be working (44 and 48 percent, respectively), on average, they had lower earned incomes (see exhibit 6). These lower earnings can be explained by a combination of lower wages (those receiving housing assistance earned \$7.05 per hour, on average, compared with \$7.64 for other respondents) and fewer hours worked (31 and 34 hours per week, respectively).

Why do group differences in wages and hours worked exist? On the one hand, it may be that respondents with housing assistance have a disincentive to increase their earnings because a higher income may trigger a rent increase and possibly a loss of housing assistance altogether. On the other hand, it may be that the lower earnings are simply the result of housing policy targeting the most in need—that is, those unable to earn enough to afford a stable housing situation. Unfortunately, causality cannot be discerned from the data.

Exhibit 5

Housing Situation by Receipt of Housing Assistance, Milwaukee: 1998

Variable	Assistance	No Assistance
1+ years in current apartment (%)	60	53
Average monthly rent (\$)	195	368
≤ 3 household members (%)	50	37
≥ 1 other adult in household (%)	22	53

Source: Swartz et al. (1999).

Exhibit 6

Monthly Income by Receipt of Housing Assistance, Milwaukee: 1998 (\$)

Income	Assistance	No Assistance
Government assistance ^a	486	449
Respondent's earnings	355	448
Earnings from other household members	58	150
Child support (formal and informal) ^b	55	46
Other	12	64
Total income	967	1,157

^aWisconsin Works (W-2), food stamps, Supplemental Security Income (SSI), Kinship Care, unemployment compensation, emergency assistance, Social Security.

^bUnder Aid to Families with Dependent Children (AFDC), the children of parents receiving SSI and children living with and being cared for by a relative who is not legally responsible received an AFDC grant targeted to meet the need of the child only. These cases were called child-only grants because the head of the family—either the SSI parent or the caretaker relative—was not included in the grant calculation. With the implementation of W-2 and its strong work requirements, Wisconsin policymakers created two programs to serve parents or caretakers who are either unable to work (the SSI caretaker supplement for SSI parents) or should not be required to work (the Kinship Care program for caretaker relatives). Neither program has a time limit or work requirement.

Source: Swartz et al. (1999).

Respondents receiving housing assistance were more likely than others to be receiving government benefits. They were slightly more likely to be participating in W-2 (29 and 24 percent, respectively), and more likely to be receiving food stamps (75 and 56 percent, respectively) and Medicaid (94 and 84 percent, respectively) as well as Supplemental Security Income (SSI) (24 and 17 percent, respectively). Again, causality is not known. Did families receiving housing assistance learn about government benefits from their housing authority, or did they learn about housing assistance from their local welfare agency?

Despite these higher rates of benefits and similar employment rates, respondents receiving housing assistance had lower total incomes than others (see exhibit 6). The approximately \$200 difference in monthly income between the two groups was split almost evenly between \$92 in lower earnings from the respondent and \$91 less in earnings from other household members. Respondents without housing assistance lived with more adults, and these adults contributed to the family's total income. More than half (53 percent) of those without housing assistance had at least one other adult in the household; only 22 percent of respondents receiving housing assistance lived with other adults (see exhibit 5).

There are two plausible reasons that respondents receiving housing assistance were less likely to be living with other adults: they could not live with other adults because of the strict rules governing housing assistance¹¹; they did not need to live with other adults because their housing assistance enabled them to afford housing on their own.

Overall Well-Being

Despite their lower incomes, respondents receiving housing assistance seemed to be doing better than respondents who were not receiving housing assistance. Respondents in both groups were equally likely to receive help from community groups, but those receiving housing assistance were more likely than others to receive help from family, friends, and neighbors (see exhibit 7).

Exhibit 7

Family and Community Supports Received by Receipt of Housing Assistance, Milwaukee: 1998 (%)

Variable	Assistance	No Assistance
Help from family, friends, and neighbors in past month	67	39
Help from community groups since AFDC ended	39	41
Poor standard of living	6	20

AFDC = Aid to Families with Dependent Children.

Source: Swartz et al. (1999).

In addition, respondents receiving housing assistance reported higher standards of living than others; 34 percent of those without housing assistance compared with 43 percent of those with housing assistance said that their standard of living was good or very good. When comparing these figures with those corresponding to responses regarding a poor or very poor standard of living, the differences were even more dramatic—20 percent of those without housing assistance compared with just 6 percent of those with housing assistance reported a poor standard of living.

Do Working Families Have Better Housing Situations Than Nonworking Families?

In the past few years, more low-income parents—especially single mothers—have entered the workforce. The expectation of most policymakers is that working parents are better able to meet the needs of their families, including housing needs, than parents who rely primarily on government assistance. To test this hypothesis, the sample was split into three groups:

1. Those who worked.¹²
2. Those who relied primarily on government cash assistance and did not work.
3. Those who relied on sources of income other than government cash assistance and personal wages.

Demographically, working respondents were similar to the other groups. Respondents in all groups were, on average, African-American women in their early 30s with two to three children. However, respondents not relying on personal wages or government benefits had younger children and were more likely to be living with other adults.

The data suggest that employed respondents are more likely than unemployed respondents to meet their household expenses, including housing costs. Employed respondents had higher total monthly family incomes than unemployed respondents (see exhibit 8). Despite these higher incomes, however, they did not live in substantially more expensive housing. Employed respondents' average monthly rent of \$337 was consistent with the rents of former AFDC recipients relying on government cash assistance. As previously discussed, the average rents for all respondents were substantially below the FMR in Milwaukee at the time (\$593).

Exhibit 8

Housing Situation by Employment Status, Milwaukee: 1998

Variable	Working	Government Benefits	Neither
Average monthly income (\$)	1,395	995	576
Average monthly rent (\$)	337	320	287
No rent burden (%)	64	45	38
1+ years in current apartment (%)	59	57	35
Housing assistance (%)	23	30	16
Poor standard of living (%)	10	17	32

Source: Swartz et al. (1999).

Because of their higher incomes and modest rents, employed respondents were able to spend a lower percentage of their total household income on rent. More than 60 percent of employed respondents spent less than 30 percent of their total income on rent, meeting the housing affordability standard recognized by most housing experts.

Employed respondents also had more stable housing situations—59 percent had lived in their current housing for more than a year, with 23 percent receiving housing assistance. Employed respondents reported higher standards of living than those who were unemployed, with 90 percent saying that their standard of living was good (45 percent) or fair (45 percent).

Respondents relying on government benefits like W-2, SSI, or Kinship Care did not fare as well as employed respondents. Those relying primarily on government benefits had, on average, \$995 in total monthly income, and their monthly rent averaged \$320. More than half of those relying on government benefits did not meet the housing affordability standard. Of the three groups, respondents relying on government cash assistance were the most likely to be receiving housing assistance, and 57 percent had been living in their current housing situation for more than a year. Given their lower incomes, it may not be surprising that respondents relying on government assistance were more likely than employed respondents to report a poor standard of living (17 and 10 percent, respectively).

Respondents who relied on sources of income other than personal wages and government cash assistance were most likely to be living in unstable housing situations. Few received housing assistance or had lived in their current situation for more than a year. Because there was a higher percentage of respondents paying no rent, the average rent for this group was \$287, and their median rent was \$345. Thirty-eight percent of these respondents paid less than 30 percent of their total income in rent, and 47 percent spent more than half of their total income in rent. Of the three groups, this one had the lowest total monthly income and the lowest standard of living. Almost a third of respondents in this group reported a poor standard of living. The remaining two-thirds who reported a fair or good standard of living either had a very low threshold for a “fair or good standard of living” or were coping in ways that were not documented in the survey.

Conclusion

In conclusion, I return to the three questions posed at the beginning of this article. First, who has worst-case housing needs in Milwaukee? As one might expect, respondents with a low total income and high rent spent more than 50 percent of their total income on housing. Although similar to other respondents in many respects, those with worst-case

housing needs were less likely to live with another adult but more likely to obtain help from family, friends, neighbors, and community groups. These respondents were less likely to work and more likely to rely on government assistance. Despite their deficits, respondents with worst-case housing needs were not considerably more likely to report a low standard of living.

Second, in Milwaukee, are families that receive housing assistance better off than other families? By some objective indicators, respondents receiving housing assistance were worse off than others. For example, those receiving housing assistance had a lower total income, had less income from employment, and were more likely to receive government benefits. By other indicators, however, respondents receiving housing assistance were better off. For example, their average rent was lower, they had more stable housing situations, and they reported a higher standard of living.

Third, in Milwaukee, do working families have better housing situations than nonworking families? Working families had much higher incomes, with only slightly higher rents, resulting in better rent-to-income ratios. Roughly 64 percent of employed respondents met the affordability standard. In addition, almost 60 percent had lived in their current housing situation for more than 1 year, and only 10 percent reported a poor standard of living.

The effect of other adults in the household on housing situation featured prominently in the findings. I found that roughly 45 percent of all respondents reported residing with at least one other adult. Very few of these other adults were spouses or live-in partners because only 14 percent of the total sample reported being married or living with a partner. The remaining set of other adults was somewhat of a mystery. Unfortunately, the survey did not ask any probing questions about other adults and their relationship to the respondent. Some may have been adult children ages 18 or older; some may have been friends or family members. I do know that of those respondents living with another adult, most lived with only one adult (63 percent).

Although almost half of all respondents reported living with another adult, not all fit the stereotype of two families “doubling up.” Only 13 percent of respondents reported “other” children in the household (that is, children for whom the respondent was not legally responsible). All respondents who reported other children in the household also reported living with another adult. Of those living with another adult, however, 71 percent reported no other children in the household.

Some respondents may have used these other adults to keep their rent burdens low, especially if the other adult contributed to the family’s total income. Other respondents kept their rent burdens low by participating in a housing assistance program, which subsidized their rent. And still others kept their rent burdens low by increasing their total family income through self-employment.

As previously stated, although working respondents had by far the highest incomes, they did not have substantially higher housing costs. This finding is both encouraging and potentially discouraging for welfare researchers. The fact that working parents were, on average, better off than other parents is encouraging in that work is the goal of most welfare reform programs. Yet the fact that working respondents have housing costs similar to nonworking respondents is discouraging because it indicates a lack of housing options for those with lower incomes.

In all, the data raise more questions than they answer: Who are the other adults in these households, and what is their impact on the family’s housing decisions? Why do families

with housing assistance have lower total earnings despite similar work efforts? Does housing assistance help families make the transition from welfare to work, or does it discourage recipients from increasing their earned income? At what point will working families upgrade their housing as a result of their increased income? I hope that future studies can answer some of these pressing questions about the connections among housing, work, and welfare reform.

Author

At the time this article was written, Rebecca J. Swartz was a research fellow at the Hudson Institute's Welfare Policy Center. She is currently a regional manager for Forward Service Corporation, which provides employment and training services to low-income individuals across Wisconsin. Swartz, who has an M.P.A. from the University of Wisconsin's La Follette School of Public Affairs and a B.A. in government from the University of Notre Dame, has worked on welfare reform issues at the local, state, and federal levels since 1993.

Notes

1. In the past 6 months, Wisconsin's welfare caseload has been gradually increasing but has not reached pre-W-2 levels. The total statewide AFDC cash assistance caseload was 25,662 in August 1997 (excluding the child-only cases). In December 2001, the latest month for which data are available, the W-2 cash assistance caseload was 8,707, after reaching a low-point of 6,496 in December 2000.
2. Much of this analysis was first published by the Hudson Institute in *Making Housing Work for Working Families: Building Bridges Between the Labor Market and the Housing Market* (Swartz and Miller, 2001). The report is part of a larger project with the Wisconsin Council on Children and Families and the Wisconsin Partnership for Housing Development. In addition to the report, the three organizations have hosted a series of local forums on the connection between housing and work. A statewide conference on the same topic was held in April 2002. For a copy of the full report, visit the Hudson Institute's Welfare Policy Center Web site (www.welfare-reformer.org).
3. August 1997 was chosen for analysis because it was the month immediately preceding Wisconsin's implementation of W-2. At that time, AFDC cases did not automatically convert to W-2. Rather, during W-2's implementation period—September 1997 through March 1998—all AFDC cases in Wisconsin were closed, and recipients were given the option of applying for W-2.
4. Two other questions asked whether the respondent had moved in with anyone or had had anyone move in with him or her to save money. These questions, however, were not posed to all respondents because of an inadvertent skip pattern in the survey.
5. Trained interviewers in MPR's telephone survey center in Maryland first attempted to complete interviews with sample members by telephone. A total of 240 cases completed the interview in this phase. Field interviewers attempted to locate respondents unable to be reached by telephone. These interviewers carried cellular telephones, which respondents used to call MPR's telephone center to complete the interview. Occasionally, if the respondent preferred, the field interviewer conducted the interview in person. A total of 56 cases completed the interview after being located by a field interviewer.
6. Only 2 of the 104 nonrespondents—that is, those who did not complete an interview—refused to be interviewed. The remaining 102 nonrespondents were not interviewed either because they could not be located or because they could be located but could not be contacted within the data-collection period.

7. For more information on the survey, see Swartz et al. (1999).
8. When calculating worst-case housing needs, utilities are included in total housing costs. Because this survey did not collect information specifically on utilities, I could not use them in the calculations. Although some respondents may have had utilities included in their rent, it was impossible to know how often that happened. Total family income includes respondent's earnings, formal and informal child support, income from W-2 cash assistance and other government cash benefits, food stamps, other household members' earnings, and any other income reported by the respondent.
9. Respondents who had received some type of help from family, friends, and neighbors in the previous month received that help with at least one of the following: transportation, money, access to a telephone, food or meals, children's clothes and toys, or a place to stay. Respondents who had received help from a community organization after their AFDC benefits ended received help from at least one of the following types of organizations: a food pantry, church, thrift shop, emergency shelter, soup kitchen, or crisis center.
10. This may be an undercount of the number of families benefiting from housing assistance. Some respondents may not have realized that they were receiving housing assistance because it was "invisible" (for example, a supply-side housing project where the assistance went to the developer to build affordable housing rather than to the respondent).
11. In general, households with members involved in drug-related or other violent criminal activity cannot receive housing assistance.
12. Note that 29 percent of those who were working also received some combination of W-2 cash grant, SSI, or Kinship Care. I chose to eliminate this overlap by grouping all employed respondents together regardless of benefits they were receiving.

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Additional Reading

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