

The Effects of the Earned Income Tax Credit on Children's Health,  
Quality of Home Environment, and Non-Cognitive Skills

Susan Averett\*      Yang Wang<sup>†</sup>

May 5, 2014

**Abstract**

The Earned Income Tax Credit (EITC) is the largest anti-poverty program in the U.S. In 1993, the EITC benefit levels were changed significantly based on the number of children in the household such that families with two or more children experienced a substantial increase in their incomes. Using data from the National Longitudinal Survey of Youth 1979 and the NLSY79 Child and Young Adult cohorts, we employ a difference-in-differences plus mother fixed-effects framework to examine the effect of this change on childrens health, non-cognitive skills and the quality of their home environment. We find that, due to the EITC expansion, children of white and Hispanic unmarried low-educated mothers of two or more children had higher quality home environment than children of mothers with only child, while children of white and Hispanic married low-educated mothers with two or more children not only experienced a higher quality of home environment but also were statistically significantly less likely to have an accident and more likely to have a higher health rating from their mothers than those of mothers with only one child. For children of black and Hispanic mothers, however, we do not see

---

\*Corresponding author. Department of Economics, Lafayette College, Easton, PA 18042, Email: averetts@lafayette.edu. Phone: 610-330-5307. Fax: 610-330-5715.

<sup>†</sup>Department of Economics, Lafayette College, Easton, PA 18042, Email: wangy@lafayette.edu. Phone: 610-330-5297. Fax: 610-330-5715. We have benefited greatly from helpful comments from Nicholas Stacy, Dhaval Dave, David Simon, and participants at the 2013 Eastern Economic Association Annual meeting, the 2013 Southern Economic Association Annual meeting, and the 2014 American Economic Association Annual meeting. All remaining errors are our own.

robust and statistically significant impacts of the policy change on the outcomes we study. Our results provide new evidence of the effects of EITC on childrens health and the quality of their home environment and therefore have important policy implications.

# 1 Introduction and Review of Previous Literature

In recent decades, policymakers have expanded Medicaid with the goal of improving the health of mothers and their children, and economists have conducted a variety of studies to determine whether such expansions have improved health outcomes for recipients (e.g., Currie and Gruber, 1996a, b). Lately, researchers have expanded the scope of research on welfare reform to determine if it too has led to better health behaviors/outcomes for recipients (Bitler et al., 2005; Dunifon et al., 2006; Corman et al., 2013). Yet the Earned Income Tax Credit (EITC), currently the nation’s largest anti-poverty program in terms of dollars spent, has received little attention with respect to its potential benefits on the health of the recipients and their children, even though a considerable amount of work has been done on its effects on poverty reduction (Scholz, 1994; Neumark and Wascher, 2001; Meyer, 2010), labor force participation (Eissa and Leibman, 1996; Meyer and Rosenbaum, 2001; Hotz and Scholz, 2003; Cancian and Levinson, 2006; Eissa, Kleven, and Kreiner, 2008), educational attainment (Miller and Zhang, 2009), and marriage (Ellwood, 2000; Dickert-Conlin, 2002).

In the economics literature, only a few studies have examined the effect of EITC on the health and/or health behaviors of adult recipients and their children. Health is an important consumption and investment good (Grossman, 1972), and children’s health is particularly crucial for the accumulation of human capital and their future health and socioeconomic status (e.g., Currie, 2005; Currie and Stabile, 2006; Heckman, 2007). Schmeiser (2009), using the same dataset as we do in this paper and an Instrumental Variable method, finds that an increase in family income due to the generosity of state and federal EITC benefits significantly raised the BMI and the probability of being obese for women with EITC-eligible earnings. Cowan and Tefft (2011) and Averett and Wang (2012) examine the effect of EITC expansion on women’s smoking behavior. Though using different datasets and focusing on different groups of women, both studies find that the increase in income following the EITC expansion led to a significant decline in the likelihood of smoking for (certain groups of) women.

Evans and Garthwaite (2014) examined the effects of the EITC expansion on female recipients' health using data from the Behavioral Risk Factor Surveillance Survey (BRFSS) and the National Health Interview Survey (NHIS), and found that the number of days with poor mental health and the fraction reporting excellent or very good health improved and risky levels of biomarkers fell for mothers of two or more children relative to the mothers with only one child. Baker (2008) and Hoynes et al. (2012), using different datasets but similar identification and estimation methods, find that EITC-induced increase in family income is associated with a 7 to 14 gram increase in average birth weight and a 6.7 to 10.8% reduction in low birth weight rate, respectively. In related work, Strully et al., (2010) use state-level EITC variation to find evidence that the EITC reduces the incidence of low birth weight using census data. Finally, Baughman (2012) examines the effects of state-level EITCs on children's health outcomes and finds that states which adopted the EITC saw higher rates of private health insurance coverage and lower rates of public health insurance coverage for children.

If we say that we still know little about how the EITC affects children's health, then we can say that we know nothing about its effects on the quality of children's home environment or their non-cognitive skills.<sup>1</sup> The quality of the home environment is an important predictor of children's cognitive ability, school readiness and hence later life success (Todd and Wolpin, 2007; Carneiro et al., 2013). It has also been linked to health outcomes including asthma and obesity (Carneiro et al., 2013; Crawford et al., 2010; Ege et al., 2011).

Similarly, a growing body of evidence has documented that non-cognitive skills, defined as personality, social, and emotional traits, are important predictors of school readiness (Duncan et al., 2007) and later life economic success as they are crucial components of human capital (Heckman et al., 2005; Cunha et al. 2010; Cunha and Heckman,

---

<sup>1</sup>Related work by Dahl and Lochner (2012) examines the effect of the EITC expansion on children's cognitive outcomes. Children's scores on tests of cognitive ability have long been found to be predictive of later life outcomes (Todd and Wolpin, 2007; Cunha et al., 2010; Cunha and Heckman, 2010) and Dahl and Lochner show that a \$1,000 increase in family income could raise math and reading test scores by 6% of a standard deviation in the short run, and this gain is even larger for children from disadvantaged families.

2010). Both the quality of the home environment and non-cognitive skills are important components/predictors of the racial gap in school readiness and cognitive ability (Currie, 2005; Todd and Wolpin, 2007). For example, Currie (2005) calculates that racial differences in health conditions and in maternal health and behaviors together may account for as much as a quarter of the racial gap in school readiness, and Todd and Wolpin (2007) note that equalizing home inputs at the average levels of white children would close the black-white and the Hispanic-white test score gaps in math and reading by about 10-20%.

In this paper, we aim to fill this gap in the literature by focusing on the potential health, quality of home environment, and non-cognitive skills effects on children of the recipients of the 1993 EITC expansion, the largest expansion to-date of the EITC. Specifically, in 1993, the Omnibus Reconciliation Act (OBRA93) dramatically increased the difference in EITC benefits between eligible families with two or more children and those with only one child. We are therefore able to exploit the differential trends in children's health, quality of home environment, and non-cognitive skills after this policy change between children in a family with two or more EITC-eligible children and those in a family with only one EITC-eligible child, to examine the effect of the EITC, the largest anti-poverty program in the United States, on children's outcomes of interest.

There are three channels through which the EITC expansion could influence children's outcomes that we study in this research. First, there is a direct income effect. The 1993 EITC expansion was the largest expansion in EITC history. It increased income for its recipients through increased EITC benefit levels, and this increased family income may impact children's outcomes. For example, the existence of a positive income/health gradient is well-known and has been documented for a wide array of health outcomes and health-related behaviors (e.g., Deaton, 2002; Adda et al., 2009). Increased income may allow the family to purchase high-quality food and better medical care, and keep a cleaner house thus improving child health. Previous research has found that poverty is associated with increased exposure to lead paint, increased child mortality and an increased likelihood of hospitalization (Duncan and Brooks-Gunn, 2000), though whether

family income has a causal effect on children's health remains an important economic question (e.g., Case, Lubotsky, and Paxson, 2002; Currie and Stabile, 2003; Currie, 2009).

Second, the EITC expansion might influence childrens outcomes through its effect on mothers labor supply. The EITC was designed to and has been found to encourage labor force participation in the low-income population because of its negative income tax nature.<sup>2</sup> The effect of this increased labor supply on childrens outcomes can be complex (Gordon et al., 2007; Gennetian et al., 2010; Morrill, 2011). On the one hand, when low-income parents work more, they are more likely to earn higher income. And higher income could lead to a positive change in childrens outcomes, as discussed above. On the other hand, however, increased maternal employment may also decrease mothers ability to care for and supervise children, leading perhaps to less healthful activities, such as eating poorly or engaging in a more sedentary lifestyle. Increased maternal employment could also lead to more non-parental child care, and this may have its own effects on children. For example, non-parental child care has been associated with an increase in childhood communicable diseases (Bradley, 2003) and an increase in childhood obesity (Maher, 2008).

Third, this EITC expansion may impact childrens outcomes through changed health and/or health behaviors of the parents. As discussed above, the EITC has been found to be largely good for mothers health, mentally and physically (Evans and Garthwaite, 2014), and a healthy mother can take better care of her children and pay more attention to their health, the quality of the home environment, and their non-cognitive skills. In addition, there has been research showing that the EITC leads mothers to smoke less (Strully et al., 2010; Cowan and Tefft, 2011 and Averett and Wang, 2012), which is good for children through less exposure to second-hand smoke and/or a positive role-model effect.

Because the EITC expansion might impact children in different directions through these three channels, the direction of the final/composite effects is an empirical question

---

<sup>2</sup>Eissa and Hoynes (2006) summarize the labor supply response to the EITC.

depending on the relative sizes of the various effects discussed above. Using a difference-in-differences plus mother fixed-effects (DD+FE) method, we find that the 1993 EITC expansion significantly reduced the probability of having an accident in the past year and increased the mother-rated health for children of white and Hispanic married low-educated mothers of two or more children compared to those children of mothers with only one child, and children of white and Hispanic married and unmarried low-educated mothers of two or more children experienced a significantly higher quality of home environment provided by their families. Specifically, the increase in the quality of the home environment ranges from 24% to 37% of a standard deviation for these two groups, respectively. For children of black and Hispanic mothers, however, we do not see robust and statistically significant impact of the EITC expansion on their outcomes. Our results for children of low income white and Hispanic mothers provide new evidence on the effect of EITC on children's health and the quality of their home environment, and therefore have important policy implications.

Our paper makes the following contributions. First, our paper is among the first to examine, at the individual level, the effect of the EITC on children's health, the quality of their home environment, and their non-cognitive skills, and therefore contributes to a growing literature on the potential spillover health effects of non-health safety net programs (Baughman 2012; Dunifon et al., 2006; Leonard and Mas, 2008, Strully et al., 2010; Hoynes et al., 2012). As a major anti-poverty program in the United States, it is important to include a full range of benefits in any cost-benefit analysis for EITC, especially given that the United States continues to struggle with ways to improve the health and decrease the health care costs of its population. More importantly, because interventions in childhood may have disproportionately large returns in terms of human capital accumulation and adult socio-economic status, it is particularly important to focus on effects of various public policies on children. Focusing on the EITC-eligible population is also important since children from low income families tend to have worse health status and poorer home environments and lower non-cognitive skills that may compromise their health (Currie and Lin, 2007).

Second, our paper uses a longitudinal dataset, which makes it possible to employ a difference-in-differences plus mother fixed-effects estimation method. Our estimates are therefore free of family-level time-invariant unobserved heterogeneity, which cannot be easily achieved by using (pooled) cross sectional or even panel data at more aggregate levels. Most studies on the health effects of EITC instead use repeated cross sectional data sets such as BRFSS, NHIS, Current Population Survey, or Vital Statistics (e.g., Evans and Garthwaite (2014)). It is important to show and indeed encouraging to the EITC literature that results on the effects of EITC on childrens health and their home environment are robust to the inclusion of mother fixed effects. Longitudinal data also allow us to explore dynamics of the effects of EITC and to see how these effects on our outcome variables change over time relative to the policy change, which is particularly important since EITC policy does not “turn off (as long as parents remain eligible) and therefore may have accumulating effects throughout childrens childhood.

The rest of this paper proceeds as follows. In the second section, we present details of the EITC with a focus on the 1993 expansion. Following that we discuss our data and econometric models and then our empirical results. We offer concluding comments in the final section.

## **2 The Earned Income Tax Credit and the Omnibus Reconciliation Act of 1993**

The EITC is a refundable tax credit that provides cash payments to qualifying families. First started in 1975 as a rather modest tax credit for the working poor designed to offset social security taxes and to encourage the poor to work, the EITC has grown into one of the nation’s largest anti-poverty programs in terms of the amount of money the federal government transfers to low income individuals who qualify for the credit and is one of the main federal policy tools for redistributing income. By 1996, spending on EITC was almost double the spending on the Aid to Families with Dependent Children (AFDC) program, which until the early 1990s was the primary source of spending for the poor

<sup>3</sup>, and in 2011 over 28 million people received nearly \$65 billion in EITC benefits.<sup>4</sup> The EITC generally enjoys bipartisan support because it reduced poverty while rewarding work.

For qualifying (low income) households, the EITC provides cash transfers as a percentage of earned income and these transfers increase with household income. The EITC benefit schedule is divided into three phases defined by income levels. For those with the lowest incomes, the percentage benefit is the greatest. Once the maximum benefit is reached, the benefits received by recipients remain constant over a range of income. The third phase begins once a certain amount of earned income is reached and the benefits start to decrease with income. Finally, over a certain threshold, the EITC benefits are completely phased out. Different income cutoff points and rates of increase/decrease in benefits affect how generous the EITC is to low income families and individuals.

The EITC policy has undergone several changes over time. The focus of this paper is the impact on childrens health, the quality of their home environment, and their non-cognitive skills of the 1993 Omnibus Reconciliation Act (OBRA93), signed by then President Clinton which dramatically increased the difference in benefits between families with two or more children and those with only one child. The difference was first created as part of the Omnibus Reconciliation Act of 1990, but on a much smaller scale. Because of this policy change, the maximum benefits for families with two or more children more than doubled and for the first time a meaningful separation was created for eligible families based on the number of children as reported in Table 1.<sup>5</sup>

The credit has three parameters that policymakers can manipulate: the credit rate (Table 1, column 1), the maximum amount of the credit (column 2) and the phase out rate/range (columns 3, 4 and 5). As is clear from Table 1, back in 1991, the difference in maximum benefits between families with one child and families with two or more children

---

<sup>3</sup> <http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=266> accessed May 5, 2014

<sup>4</sup> <http://taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=37> accessed 05/01/2014.

<sup>5</sup> Tax Policy Center <http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=36>, accessed 05/01/2014. The most recent EITC expansion was in 2009 as a part of American Recovery and Reinvestment Act.

was less than \$40. In 1996, however, this difference jumped to over \$1,400. This general structure is still in place today.<sup>6</sup> Because of this exogenous policy change, we are able to provide empirical evidence on the effect of the EITC on recipients childrens outcomes of interest.

Note that although Dahl and Lochner (2012) report that the 1993 expansion increased eligible families incomes by as much as 20 percent, the typical family might not receive the full EITC benefit. Indeed, research has shown that the average difference in EITC benefits between mothers with one versus those with two or more children is \$480 (Hotz et al., 2006). While the magnitude of this difference in income may appear small in absolute terms, whether it could be a relatively large income shock for the health of the children with low-educated mothers with two or more children under the age of 19 in the household is an empirical question.

### 3 Data

We use data from the 1979 National Longitudinal Survey of Youth (NLSY79) and the NLSY79 Child and Young Adult (NLSCYA) to examine the effects of the 1993 EITC expansion on children of low income mothers. The NLSY79 sampled 12,686 individuals who were between the ages of 14 and 21 in 1979 and has followed them ever since, with annual interviews until 1994 and interviews every other year following that through 2010. The NLSCYA cohort is a longitudinal project that follows the biological children of the women in the NLSY79.<sup>7</sup> We match the children from the NLSCYA with their biological mothers in the NLSY79 to obtain information on whether the mothers are EITC-eligible and whether they are likely to be affected by the 1993 EITC expansion.

The NLSY79 is the only dataset of which we are aware that allows us to examine the 1993 EITC expansion using children of women who were in their childbearing years

---

<sup>6</sup>See 1040 instruction for the difference in maximum benefits for tax year 2010, <http://www.irs.gov/pub/irs-pdf/i1040gi.pdf> (last accessed, 05/01/2014).

<sup>7</sup>See <http://www.bls.gov/nls/handbook/2005/nlshc3.pdf> for a description of the NLSY79 (last accessed on 05/01/2014) and <http://www.nlsinfo.org/content/cohorts/NLSY79-Children> for a description of the NLSCYA cohort (last accessed on 05/01/2014).

at that time and for whom we have longitudinal information – i.e., we can observe the same mothers before and after the expansion and therefore purge our estimates of any family level time invariant heterogeneity by the use of mother fixed-effects estimation — an important feature of these data that we exploit in the analyses that follow and is absent in (repeated) cross sectional data. The NLSY79 also oversamples civilian blacks, Hispanics, and the economically disadvantaged non-black/non-Hispanic population, which likely expands our pool of children of EITC-eligible mothers. In addition, the NLSY79 household roster makes it possible to more accurately measure the number of EITC-eligible children (under 19 years of age and living in the household).

We focus on the changes in our outcome variables between 1990, three years before the 1993 EITC expansion, and 1998, two years after EITC-eligible families with two or more children first received their dramatically increased EITC payments due to the policy change. This eight-year period covers four waves of the data: 1990, 1992, 1996, and 1998. We exclude the data from 1994 because 1994 is right in the middle of the policy change. This relatively long time period allows us to analyze the dynamic effect of the EITC expansion on children over time relative to the policy change, which is particularly important since as long as parents remain eligible children will be continuously influenced by this policy change throughout their childhood.

A key question within our research framework is how to restrict the sample to include people *likely* to be eligible for the EITC. Although the EITC is an income-based benefit, previous literature indicates that there are important labor supply consequences of the program (see Section 1 for citations). So an income-based criterion is inappropriate as this would select the sample based on an outcome and potentially contaminate our results due to sample selection bias.

We employ the same strategy used in the literature (e.g., Averett and Wang (2012) and Evans and Garthwaite (2014)) and use education to determine who is likely eligible for EITC. In particular, we regard those mothers with fewer than 13 years of education as eligible for EITC and those with 13 or more years of education as ineligible. In our sample, we observe that several women obtained more years of education after the

policy change, which gave them more than 12 years of education and thus made them very unlikely to be eligible for EITC benefits. We therefore exclude children of those women in our sample to avoid contamination of the estimation results. There are also some women in our data who switched treatment status after the policy change; i.e., they went from having one EITC-eligible child (control group) before 1993 to having two or more EITC-eligible children (treatment group) after 1995 or vice versa.<sup>8</sup> We exclude children of these women from our sample for the same reason. We also exclude those few observations with missing information on important control variables.

We use the following outcome variables. First, for children’s health, we use: (1) obese and overweight/obese, binary indicators of whether the child’s BMI score percentile is above 95 or 85 percent based on the child’s reported height and weight; (2) illness in the past year, a binary variable generated from the responses to the question, “Has child had an illness in last 12 mos. requiring medical attention?; (3) accident in the past year, a binary variable generated from the responses to the question on the “number of accidents or injuries the child has had in the past 12 mos; (4) an overall measure of the child’s health as rated by the mother<sup>9</sup>.

Our measure of the quality of home environment is Home Observation Measurement of the Environment (HOME) standardized z-score, which measures the quality of the cognitive stimulation and emotional support provided by a child’s family and includes questions regarding the cleanliness of the home, if the play environment in the home is safe for children, whether regular meals are eaten, television time is limited, what type of discipline is used, how often parents read to the child and whether parents assist with homework among other questions.<sup>10</sup>

---

<sup>8</sup>We might also worry that the EITC provided incentives for mothers to have more children. However, research indicates that the EITC expansions in 1993 not only did not encourage fertility but had a small reduction in higher-order fertility among white women (Baughman and Dickert-Conlin, 2009).

<sup>9</sup>This variable is measured on a Likert scale ranging from 1 to 4 with 4 being excellent, 3 is good, 2 is fair, and 1 is poor. This variable was only asked in the years 1992, 1996, and 1998.

<sup>10</sup>A general discussion of this measure can be found at: <https://www.nlsinfo.org/content/cohorts/nlsy79-children/topical-guide/assessments/home-home-observation-measurement>, last accessed on 05/01/2014). And a complete list of questions used to construct the HOME scores can be found at <https://www.nlsinfo.org/content/cohorts/nlsy79-children/other-documentation/codebook-supplement/appendix-home-sf-scales> (last accessed on 05/01/2014).

Finally, our measure of non-cognitive skills is the Behavior Problems Index (BPI) standardized z-score, a 28 item questionnaire administered to parents about their children when their children were between the ages of 5 and 13 and a widely used indicator of non-cognitive skills (Cunha et al., 2010)<sup>11</sup>. Higher values of this index indicate more behavior problems and lower non-cognitive skills and it is answered by the mother for children aged four and over<sup>12</sup>. While there are other health outcomes that we would have liked to include that are available in the NLSYCA such as asthma and ADHD, they were not asked frequently enough for us to use them given our current research design.

## 4 Econometric Models

As explained in the Introduction, we exploit the unique feature of the EITC expansion during 1993 to 1995 to identify the effects of EITC expansion on children’s outcomes important for their health, human capital accumulation, and later life success. Our baseline econometric model for the children of EITC-eligible mothers therefore is a straightforward difference-in-differences (DD) framework as follows:

$$\begin{aligned}
 HC_{ijt} &= \beta_0 + AFTER_{jt}\beta_1 + 2KIDS_{jt}\beta_2 + AFTER_{jt}2KIDS_{jt}\delta_{dd} \\
 &+ XC_{ijt}\beta_{xc} + XM_{jt}\beta_{xm} + \sum_{m=1}^{50} State_m\lambda_m + \varepsilon_{ijt},
 \end{aligned}
 \tag{4.1}$$

where  $HC_{it}$  denotes those health measures, as described in the Data section, of child  $i$  of mother  $j$  at time  $t$ .  $\varepsilon_{ijt}$  is the mean-zero idiosyncratic error term.  $AFTER_{jt}$  is a binary variable indicating whether the EITC expansion is effective: if the dependent variable is measured after 1995, then  $AFTER_{jt} = 1$ , and 0 otherwise.  $2KIDS_{jt}$  is also

---

<sup>11</sup>Some researchers focus on “(BPI) Headstrong, a subset of the BPI because they argue it is the best measure of non-cognitive skills (Cunha et al., 2010). When we used this measure our results were qualitatively the same so we only report the overall BPI. Another alternative is to use measures of the BPI that indicate externalizing/internalizing behaviors as done in Heckman, 2010) and which we plan to explore in future iterations of this paper

<sup>12</sup>Details of this index can be found at: <https://www.nlsinfo.org/content/cohorts/nlsy79-children/topical-guide/assessments/behavior-problems-index-bpi>, last accessed on 05/01/2014.

a binary variable which equals one if mother  $j$  has two or more children at time  $t$ , and zero otherwise. Because this expansion only affects mothers with two or more children and not those with only one child,  $\delta_{dd}$  is the main parameter of interest and captures the effect of EITC expansion on the health of children of EITC-eligible mothers in this framework.

To account for the effects of other explanatory variables on our outcome variables, we also include two sets of covariates ( $XC_{ijt}$  and  $XM_{jt}$ ) that describe the children and their mothers, respectively, and a set of state dummy variables ( $State_m$ ).  $XC_{ijt}$  includes the child's age and gender, and  $X_{it}$  includes mother's age, number of children in the household, and mother's years of education. The set of state dummy variables ( $State_m$ ) allows us to control for variation in welfare benefit levels across states, variation in the generosity of public health insurance programs such as Medicaid, as well as different timing in state-level adoption of the EITC (Baughman, 2012). The mid-1990s was a time of great change in welfare programs in the U.S., so these state fixed effects are particularly important. To control for various time-varying differences across states in labor market trends and welfare reforms that may have also affected children but cannot be controlled for using state fixed effects, we further include in  $X_{jt}$  state-level unemployment rates (as a measure of labor market trends), and AFDC maximum benefits and Medicaid eligibility (income levels relative to poverty lines) for children (as measures of welfare reform).

As mentioned in the Introduction, the data sets we use, NLSY79 and NLSCY, are longitudinal, which allows us to control for time-invariant mother fixed effects as specified in the following expanded DD model:

$$\begin{aligned}
HC_{ijt} &= \beta_0 + AFTER_{jt}\beta_1 + 2KIDS_{jt}\beta_2 + AFTER_{jt}2KIDS_{jt}\delta_{dd} \\
&+ XC_{ijt}\beta_{xc} + XM_{jt}\beta_{xm} + \sum_{m=1}^{50} State_m\lambda_m + \alpha_j + \varepsilon_{ijt},
\end{aligned} \tag{4.2}$$

where  $\alpha_j$  measures the mother fixed effects or unobserved heterogeneity between different families. The inclusion of  $\alpha_j$  is important, because omitted variable bias will likely result

if  $\alpha_j$  is correlated with any of the control variables and yet is excluded from the model.

## 5 Results

Because of well-known differences in our outcome variables across race, we estimate our models separately by race/ethnicity (Currie, 2005; Adler and Rehkopf 2008; Carneiro et al., 2013). Specifically, we divide the sample into two subsamples: white and Hispanic mothers, and black and Hispanic mothers.<sup>13</sup>

In addition, the literature shows that parents' marital status plays an important role in determining children's health and other outcomes (e.g., McLanahan, 2004; Ribar, 2004; Blackwell, 2010; Bzostek and Beck, 2011), and previous research has also established that the EITC has no impact on low-income women's marital status (Ellwood, 2000). We therefore further analyze the effects of the EITC policy change on children's outcomes by their parents' marital status as well. Specifically, we now divide the children in our sample into four groups: two different races/ethnicities and two parental marital statuses: married at the time of interview or not. Table 2 reports sample means for children by their (mothers') race/ethnicity, parental marital status, and treatment status, denoted by the number of EITC-eligible children in the household, for mothers with less than 13 years of education (and therefore more likely to be eligible for EITC) in our sample.

When we look at the measures of children's outcomes of interest, several patterns are noteworthy. First, compared to those children of mothers with only one EITC-eligible child, children of mothers with two or more EITC-eligible children are less likely to be obese, overweight/obese, or have had an accident, and are also more likely to have lower HOME or BPI scores, regardless of their race/ethnicity. There are also sizable differences by race/ethnicity for these measures. For example, children of black and

---

<sup>13</sup>In the NLSY79, the only three categories for race/ethnicity were black, Hispanic, and non-black, non-Hispanic. We therefore refer to the last group as white, and combine white and black mothers with Hispanic mothers. In addition, the race/ethnicity of the mothers is identical to that of their children, so we do not differentiate between mothers' and children's race/ethnicity. Averett and Wang (2012) use the same race/ethnic distinctions in their work on the effect of EITC on maternal smoking.

Hispanic mothers were more likely to be obese or overweight/obese than those of white and Hispanic mothers; while children of white and Hispanic mothers were more likely to have an illness needing medical attention or an accident in the past year, as well as higher HOME and lower BPI scores than those of black and Hispanic mothers.

When we turn our attention to the characteristics of the children and their mothers in our sample, we see that all the children are of similar age, and about half of them are male. All mothers are of a similar age too, reflecting the cohort nature of the NLSY sampling scheme, and have similar years of education on average which is expected given that all the mothers in our sample have less than 13 years of education. Compared to white and Hispanic mothers, however, black and Hispanic mothers are much less likely to be married at the time of interview and more likely to be previously married. In addition, black and Hispanic mothers have more EITC-eligible children in the household compared to white and Hispanic mothers. Finally, white and Hispanic mothers are more likely to live in a state with higher AFDC benefits and lower unemployment rates.

Before reporting our estimation results, it is instructive to consider what the average family in our sample received in terms of the EITC benefits. Table 3 shows the EITC benefits received by EITC-eligible families in our sample by the numbers of EITC-eligible children in the households for years 1990, 1992, 1996, and 1998. As is clear from the table, in 1990 and 1992, the difference in benefits between these two groups of families was rather small (around \$50 to \$200); in 1996 and 1998, however, the mean difference in benefits between families with only one child and those with two or more children was \$300 to \$400 in our sample.<sup>14</sup> This is somewhat less than what Hotz et al., (2006) report as the average EITC benefit but the difference is likely due in part to the composition of our sample.

Tables 4a and 4b present the summary statistics for the seven outcome variables by race/ethnicity, parental marital status, and treatment status (1 EITC eligible child versus 2 or more EITC eligible children), before and after the policy change. This table

---

<sup>14</sup>Numbers in Table 3 are calculated based on families' earnings in the previous year and the EITC parameters shown in Table 1. Details are available upon request.

previews some of our parametric estimation results. For example, in Table 4b looking at white and Hispanic married women before the policy change, we see that 10.0 percent of the children in the treatment group and 8.0 percent in the control group had an accident in the past year. After the policy change, however, these two numbers were 12.0 for the treatment group and 15.0 for the control group, leading to a raw difference-in-differences estimate of  $(12.0 - 15.0) - (10.0 - 8.0) = -5.0$  percentage point decline. This indicates that although accident rates were overall trending upwards during this time period, without controlling for any control variables or mother fixed effects, the EITC expansion led to a 5 percentage point decline in the probability of having an accident for children of low income, married white and Hispanic mothers with two or more EITC-eligible children relative to those with only one EITC-eligible child. For this same group, a parallel calculation reveals that the HOME score increased by 3.86 points. This table also shows a similar economically significant pattern for some of the other outcome measures including the HOME (BPI) score for black and Hispanic women which increases (decreases) by 5.42 (3.72) points. However, these simple, unadjusted difference-in-differences calculations do not give us an indication of statistical significance.

Tables 5 and 6 report the main estimation results for the linear probability DD model, for all the outcome measures of children by race/ethnicity and marital status of their mothers. We show only the DD coefficients but all models include the control variables shown in Table 2.<sup>15</sup> Table 5 presents the DD model without mother fixed effects based on equation (??)ddsimple) and reveals that the EITC expansion significantly increased the mothers rating of the childs health for all children except those of unmarried white and Hispanic mothers. We also find that the quality of the home environment increased for white and Hispanic mothers of either marital status and that the children of unmarried white and Hispanic mothers had better non-cognitive skills. We find no effect of the EITC expansion on illness, accidents, obesity or overweight.

In Table 6, we add the mother fixed effects to our analysis and the estimation is based on equation (4.2). We see that children of white and Hispanic mothers of either

---

<sup>15</sup>The full estimation results are in Appendix Tables 1 - 8.

marital status still have higher HOME z-scores after the addition of mother fixed effects to the model. For white and Hispanic children of unmarried mothers, the 5.76 points increase in the HOME z-score is equivalent to 37.6 percent ( $5.75/15.29$ ) of a standard deviation of the HOME z-score (see Table 2), while for white and Hispanic children of married mothers, the 3.32 points increase is equivalent to 23.9 percent ( $3.32/13.87$ ) of a standard deviation. The inclusion of mother fixed effects also makes important changes to the estimation results compared to those presented in Table 5. Specifically, the effects on mother-rated children's health are no longer statistically significant for children of black and Hispanic mothers of either marital status. Children of white and Hispanic married mothers no longer have a lower BPI score, but they do enjoy a statistically significantly lower accident rate, evidence of protective effect of EITC expansion on children's health possibly through, among other things, an improvement in the quality and/or quantity of child care as well as quality of home environment. These changes highlight the importance of controlling for family level time-invariant unobserved heterogeneity by including the mother fixed effects which is made possible by our use of longitudinal data. To further bolster our confidence that the estimated  $\delta_{dd}$  indeed captures the income effect on children's health outcomes, we conduct two falsification tests. In the first test, we exclude children of mothers with only one child and focus only on children in the households with two or more EITC-eligible children. Mothers with three or more children will be considered as the 'treatment' group in this case, while those with exactly two children will form the 'control' group. Everything else in the falsification test is the same as in Equation (4.2).

Because the EITC expansion provides the greatest differential treatment for eligible mothers with one child versus those with two or more children, we should not expect to see any significant effect on children's outcomes of the policy change for the 'treatment' group compared to the 'control' group in this falsification test, because any association of the EITC expansion with the outcomes of interest in this definition of the treatment and control groups would be considered spurious and would call into question similar associations reported in Tables 5 and 6, and that is exactly what we see in Table 7,

where again each estimated coefficient is from a separate regression. In addition, the coefficients in these regressions are generally much smaller than those seen in Tables 5 and 6 and despite the necessarily smaller sample sizes and hence the slightly larger standard errors, these truly appear to be indicative of no effect which is what we would expect as the outcome for this falsification test. It is noteworthy that this falsification test also shows that the effect we capture in Table 6 based on Equation (4.2) is *not* merely the effect of mothers having another child and thus giving less or more attention to all their children; otherwise children of mothers changing from having two to three or more children would experience significant changes in the outcomes of interest.

In the second falsification test we falsify the timing of the policy change. We limit the data to 1990 and 1992 and falsely assign 1992 as the after period. These results are shown in Table 8. Compared to Table 6, the coefficients are smaller, not statistically significant and again give us confidence that we are capturing the effect of the policy in our main specification.

In order to take into account the possible dynamic nature of the effects of the EITC expansion on children, we further investigate how these effects changed over time relative to the first year of the policy treatment. To do this we add a lag of the ‘treated dummy’ to our model to trace out the effects of EITC over time (because we have only two waves of data after the policy change we use only one lag). Table 9 presents the estimation results. Here, for each outcome measure and each of the four race/ethnicity and parental marital status groups, we report two estimates, the first one is the effect of EITC one year after the policy change (i.e., 1996), and the second one is the effect of EITC three years after the policy change (i.e., 1998). These numbers provide some new and interesting information on exactly how the EITC policy change impacted children in our sample.

For example, the positive effects on mother-rated health and the negative effects on having an accident for white and Hispanic kids of married mothers were significant right after the policy change and lasted at least for another three years. The only difference is that for mother-rated health, the effects decreased slightly in magnitude, while for the probability of having an accident, the effects became economically and statistically

more significant over time. When we look at the effects of this policy change on HOME scores for white and Hispanic children of unmarried mothers, we find that the policy change did not make an instant impact, but only became significant about three years after. The effects of this policy on HOME scores for children of white and Hispanic married mothers, however, become statistically insignificant, though the magnitude of the effects stay relatively stable. Furthermore, the effect of the EITC policy change on the probability of having an illness for black and Hispanic children of unmarried mothers becomes statistically significant in 1998. A plausible explanation for this counterintuitive result could be, as we discussed in the Introduction, parents now have higher incomes and mothers work more due to the EITC program, and thus the child is more likely to be in some type of child care and hence exposed to more illnesses.

As mentioned earlier, \$480 extra received by a typical EITC-eligible family with two or more children might not seem substantial in absolute terms. However, our results suggest that at least for this group of children of low-educated mothers, this EITC expansion does matter for their health and the quality of their home environment. These results are consistent with Baker (2008), Cowan and Tefft (2011), Averett and Wang (2012), Hoynes et al. (2012), and Evans and Garthwaite (2014), who find that this EITC expansion had statistically significantly improved female EITC recipients' mental and physical health, lowered their probabilities of smoking, and increased their children's birth weights.

One lingering question is why children of the four different race/ethnicity and marital status groups experienced different changes in their health status. One explanation is that qualifying families of different race/ethnicity and even different marital status have different EITC take-up rates<sup>16</sup>. The other possibility is that although the EITC expansion works through the same three channels on childrens outcomes of interest, the magnitude, significance, and even the sign of these effects vary by childrens race/ethnicity and their parental marital status. And these two points are precisely the reason why we

---

<sup>16</sup>See Scholz et al., 1994 for suggestive evidence on the difference in EITC take-up rates by race/ethnicity and marital status.

conduct our analysis separately for these groups.<sup>17</sup>

While the NLSY does not provide information on EITC take-up rates, it does provide information on employment, one of the potential channels we discussed. There is a considerable literature on the effect of the EITC on labor supply and scholars have examined both the intensive (hours or weeks worked) and the extensive (labor force participation) margins. From a purely theoretical perspective, economic theory indicates that the EITC expansion should unambiguously increase the labor force participation of unmarried women. The effect of the EITC on the labor force participation decision of married women is more complex as it depends also upon their husbands labor supply. At the intensive margin, the effect of the EITC expansion depends on where on the subsidy range the individual is located. The three distinct credit regions of the federal EITC program, the phase-in, the plateau and the phase-out regions (as shown in Table 1), each yield their own labor supply incentives for workers already in the labor force. Previous research has tended to find that the EITC expansions that occurred in the 1990s tended to increase labor force participation but had little effect on hours worked (Eissa and Liebman, 1996; Eissa and Hoynes, 2006) though some studies find no effect of EITC expansion on either margin (e.g. Cancian and Levinson, 2006).

In Table 10 we examine two measures of employment: number of weeks worked in the past calendar year and whether the mother is currently employed. We find that the EITC expansion significantly increased both weeks worked and the probability of being employed for married white and Hispanic mothers but had no discernable employment effect (either on the extensive or the intensive margin) on the other groups. Thus, one reason for the increased mother rated health and HOME scores for this group may well be due to maternal employment.

Theoretically, it is plausible not to have found labor force effects for married black and Hispanic mothers given our discussion above, yet the lack of a labor supply response for unmarried mothers of either race/ethnic group is somewhat surprising. However, recall

---

<sup>17</sup>Hoynes et al. (2012) also find different effects of the EITC on birth weight with black mothers seeing much larger effects as compared to white mothers.

that the EITC expansion was for those families with two or more EITC eligible children. It may be that there are fixed costs to working for these women and this is why we do not observe a labor supply change for them.

## 6 Discussion and Conclusions

In this research, we analyze whether the EITC, the largest anti-poverty program in the US, also serves to improve children's health, the quality of their home environment, and their non-cognitive skills by exploring an exogenous increase in the EITC benefits. Although the policy is not specifically aimed at improving these outcomes, it is possible that it might do so through its effect on income, maternal labor supply and/or maternal health or health behaviors.

The EITC enjoys wide support across the political spectrum and the literature looking into the potential health impacts of the EITC has just been emerging. We add to this literature not only by joining the discussion on the potential effects of the EITC on children's health, but also by being the first to analyze the effects of the EITC on the quality of children's home environment and their non-cognitive skills. We conduct our analyses separately by race/ethnicity and parental marital status. Our results indicate that the 1993 EITC expansion has statistically significantly lowered the probabilities of having accidents and increased mother-rated health for children of white and Hispanic married mothers with two or more children, and has increased the quality of the home environment for children of white and Hispanic married and unmarried mothers with two or more children, relative to their corresponding groups of mothers with only one child. These results are robust to various specification checks and falsification tests. For children of other races/ethnicities, however, we do not find robust and statistically significant results.

In the past several decades, U.S. poverty relief has become increasingly tied to employment, but the consequences for children's wellbeing remain controversial. Overall our results have potentially important policy implications because they provide evidence of

positive externalities in childrens health and the quality of their home environment from the EITC. The EITC is an income-redistribution policy which encourages labor force participation among the low income population and enjoys support and a growing reputation as a program that can enhance child wellbeing.

## References

- Adda, Jerome, James Banks, and Hans-Martin von Gaudecker. 2009. "The Impact of Income Shocks on Health: Evidence from Cohort Data." *Journal of the European Economic Association* 7(6): 1361-99.
- Adler, N. E., and Rehkopf, D. H. 2008. "US disparities in health: descriptions, causes, and mechanisms." *Annual Review of Public Health*, 29, 235-252.
- Averett, Susan and Yang Wang. 2012. "The Effects of EITC Payment Expansion on Maternal Smoking." *Health Economic*, 22(11), 1344 – 1359
- Baker, Kevin. 2008. "Do Cash Transfer Programs Improve Infant Health: Evidence from the 1993 Expansion of the Earned Income Tax Credit." mimeo, University of Notre Dame.
- Baughman, Reagan A. 2012. "Effects of State EITC Expansion on Children's Health", The Carsey Institute at the Scholars' Repository. Paper 168.
- Baughman, Reagan A, and Dickert-Conlin, Stacy. 2009. "The earned income tax credit and fertility." *Journal of Population Economics* 22(3):537-563.
- Bitler, Marianne, Jonah B. Gelbach, and Hilary W. Hoynes. 2005. "Welfare Reform and Health." *Journal of Human Resources*, 40(2): 309-334.
- Blackwell, Debra L. 2010. "Family structure and children's health in the United States: findings from the National Health Interview Survey, 2001-2007." Vital and health statistics. Series 10, Data from the National Health Survey 246: 1.
- Bradley, R. H. 2003. "Child care and common communicable illnesses in children aged 37 to 54 months." *Archives of pediatrics & adolescent medicine*, 157(2), 196-200.
- Bzostek, Sharon H., and Audrey N. Beck. 2011. "Familial instability and young children's physical health." *Social Science & Medicine* 73, no. 2: 282-292.
- Cancian, M. and A. Levinson. 2006. "Labor Supply Effects of the Earned Income Tax Credit: Evidence from Wisconsin's Supplemental Benefit for Families with Three Children." *National Tax Journal*, 59(4): 781-800.
- Carneiro, P., Meghir, C., and Patey, M. 2013. "Maternal education, home environments, and the development of children and adolescents." *Journal of the European Economic Association*, 11(s1), 123-160.
- Case, A., Lubotsky, D., Paxson, C., 2002. "Economic status and health in childhood: the origins of the gradient." *American Economic Review* 92, 1308–1334.

- Charles, K. K., and Decicca, P. 2008. "Local Labor Market Fluctuations and Health: Is There a Connection and for Whom?" *Journal of Health Economics*, 27(6): 1532-1550.
- Corman, Hope, DM Dave, D Das, and NE Reichman. 2013. "Effects of welfare reform on illicit drug use of adult women." *Economic Inquiry* 51.1: 653-674.
- Cowan, Ben, and Nate Tefft. 2011. "The Effect of Earned Income Tax Credit Expansions on the Smoking Behavior of Women." *The B.E. Journal of Economic Analysis & Policy*
- Crawford, David, V. Cleland, Anna Timperio, Jo Salmon, Nick Andrianopoulos, R. Roberts, Billie Giles-Corti, Louise Baur, and Kathleen Ball. 2010. "The longitudinal influence of home and neighbourhood environments on children's body mass index and physical activity over 5 years: the CLAN study." *International journal of obesity* 34, no. 7: 1177-1187.
- Carneiro, Pedro, Costas Meghir, and Matthias Parey. 2013. "Maternal education, home environments, and the development of children and adolescents." *Journal of the European Economic Association* 11.s1: 123-160.
- Cunha, F., Heckman, J. J., and Schennach, S. M. 2010. "Estimating the technology of cognitive and noncognitive skill formation." *Econometrica*, 78(3), 883-931.
- Cunha, F., and Heckman, J. J. 2010. "Investing in our young people." National Bureau of Economic Research. No. w16201
- Currie, J., and Lin, W. 2007. "Chipping away at health: more on the relationship between income and child health." *Health Affairs*, 26(2), 331-344.
- Currie, Janet. 2009. "Healthy, Wealthy, and Wise: Socioeconomic Status, Poor Health in Childhood, and Human Capital Development." *Journal of Economic Literature*, 47(1), 87-122.
- Currie, Janet, and Jonathan Gruber. 1996a. "Health Insurance Eligibility, Utilization of Medical Care, and Child Health." *Quarterly Journal of Economics*, 111(2): 431-466.
- Currie, Janet, and Jonathan Gruber. 1996b. "Saving Babies: The Efficacy and Cost of Recent Changes in Medicaid Eligibility of Pregnant Women." *Journal of Political Economy*, 104(6): 1263-96.
- Currie, Janet and Mark Stabile, 2003. "Socioeconomic Status and Child Health: Why Is the Relationship Stronger for Older Children?" *American Economic Review*, 93(5), 1813-1823.
- Currie, Janet. 2005. "Health disparities and gaps in school readiness." *The Future of Children*, 15(1), 117-138.
- Currie, Janet, and Mark Stabile. 2006. "Child mental health and human capital accumulation: the case of ADHD." *Journal of Health Economics*, 25.6: 1094-1118.

- Dahl, Gordon B., and Lance Lochner. 2012 "The impact of family income on child achievement: Evidence from the earned income tax credit." *The American Economic Review*, 102.5: 1927-1956.
- Deaton, A.S. 2002. "Policy Implications of the Gradient of Health and Wealth," *Health Affairs*, 21: 13-30.
- Dickert-Conlin, Stacy. 2002. "EITC and Marriage." *National Tax Journal*, 55(1): 25-40.
- Duncan, G. J., and Brooks-Gunn, J. (2000). Family poverty, welfare reform, and child development. *Child development*, 71(1), 188-196.
- Duncan, Greg J., Chantelle J. Dowsett, Amy Claessens, Katherine Magnuson, Aletha C. Huston, Pamela Klebanov, and Linda S. Pagani. 2007. "School readiness and later achievement." *Developmental psychology*, 43(6), 1428.
- Dunifon, R., Hynes, K., and Peters, H. E. 2006. "Welfare reform and child well-being." *Children and Youth Services Review*, 28(11), 1273-1292.
- Ege, Markus J., Melanie Mayer, Anne-Cécile Normand, Jon Genuneit, William OCM Cookson, Charlotte Braun-Fahrländer, Dick Heederik, Renaud Piarroux, and Erika von Mutius. 2011. "Exposure to environmental microorganisms and childhood asthma." *New England Journal of Medicine* 364(8): 701-709.
- Eissa, Nada and J. Liebman. 1996. "Labor Supply Response to the Earned Income Tax Credit." *Quarterly Journal of Economics*, 111(2): 605-37.
- Eissa, N., and Hoynes, H. W. 2006. Behavioral responses to taxes: Lessons from the EITC and labor supply. In *Tax Policy and the Economy, Volume 20* (pp. 73-110). The MIT Press.
- Eissa, N, Kleven, HJ, and Kreiner, CT. 2008. "Evaluation of four tax reforms in the United States: Labor supply and welfare effects for single mothers." *Journal of Public Economics*, 92(3-4): 795-816.
- Ellwood, David T. 2000. "The Impact of the Earned Income Tax Credit and Social Policy Reforms on Work, Marriage and Living Arrangements." *National Tax Journal*. 53(4): 1063-1005.
- Evans, William N., and Graig L. Garthwaite. 2014. "Giving Mom a Break: The Impact of Higher EITC Payments on Maternal Health", *American Economic Journal: Economic Policy*, 6(2): 258-90.
- Farrelly, Matthew, William N. Evans, and Andrew Sfekas. 1999. "The Impact of Workplace Smoking Bans: Results from a National Survey." *Tobacco Control*, 8: 272-277.

Gennetian, L. A., Hill, H. D., London, A. S., & Lopoo, L. M. 2010. "Maternal employment and the health of low-income young children." *Journal of Health Economics*, 29(3), 353-363.

Gordon, R. A., Kaestner, R., and Korenman, S. 2007. "The effects of maternal employment on child injuries and infectious disease". *Demography*, 44(2), 307-333.

Grossman, M. 1972, "On the Concept of Health Capital and the Demand for Health." *Journal of Political Economy*. 80 (2): 223 – 255.

Heckman, J., J. Stixrud, and S. Urzua (2005). The effects of cognitive and noncognitive abilities on labor market outcomes and social behavior. *Journal of Labor Economics* 24 (3), 411-482.

Heckman, James J. 2007. "The economics, technology, and neuroscience of human capability formation." *Proceedings of the National Academy of Sciences*, 104.33: 13250-13255.

Heckman, J., S. H. Moon, R. Pinto, P. Savelyev, and A. Yavitz (2010). Analyzing social experiments as implemented: A reexamination of the evidence from the highscope perry preschool program. Technical Report IZA DP No. 5095, IZA Institute for the Study of Labor.

Hotz, Joseph V. and John Karl Scholz. 2003. "The Earned Income Tax Credit." In *Means-Tested Transfer Programs in the United States*, Robert Moffitt, ed. Chicago: The University of Chicago Press and the NBER, 141-197.

Hotz, V. Joseph, and John Karl Scholz. 2006 "Examining the effect of the earned income tax credit on the labor market participation of families on welfare". No. w11968. National Bureau of Economic Research,.

Hoynes, Hilary W., Douglas L. Miller, and David Simon. 2012. "Income, the Earned Income Tax Credit, and Infant Health". NBER Working Paper No. 18206.

Leonard, J., and Mas, A. 2008. "Welfare reform, time limits, and infant health". *Journal of health economics*, 27(6), 1551-1566.

Maher, E. J., Li, G., Carter, L., and Johnson, D. B. 2008. "Preschool child care participation and obesity at the start of kindergarten." *Pediatrics*, 122(2), 322-330.

Meyer, Bruce D. 2010. "The Effects of the Earned Income Tax Credit and Recent Reforms." Chapter in NBER book *Tax Policy and the Economy*, Volume 24, Jeffrey R. Brown, editor. p. 153 - 180.

Meyer, Bruce D., and Dan T. Rosenbaum. 2001. "Welfare, the Earned Income Tax Credit, and the Labor Supply of Single Mothers." *Quarterly Journal of Economics*, 116(3): 1063-1114.

McLanahan, Sara. 2004 "Diverging destinies: How children are faring under the second demographic transition." *Demography* 41.4: 607-627.

- Miller, Amalia R., and Lei Zhang. 2009. "The Effects of Welfare Reform on the Academic Performance of Children in Low-Income Households." *Journal of Policy Analysis and Management*, 28(4): 577–599.
- Morrill, M. S. 2011. "The effects of maternal employment on the health of school-age children," *Journal of Health Economics*, 30(2), 240-257.
- Neumark, David and William Wascher. 2001. "Using the EITC to help Poor Families: New Evidence and a Comparison with the Minimum Wage." *National Tax Journal*, 54(2): 281-317.
- Ribar, David C. 2004. "What do social scientists know about the benefits of marriage?: A review of quantitative methodologies". No. 998. IZA Discussion paper series.
- Schmeiser, M. 2009. "Expanding Wallets and Waistlines: The Impact of Family Income on the BMI of Women and Men Eligible for the Earned Income Tax Credit." *Health Economics*, 18(11): 1277-84.
- Scholz, John Karl. 1994. "The Earned Income Tax Credit: Participation, Compliance, and Anti-Poverty Effectiveness." *National Tax Journal*, 47(1): 59-81.
- Strully, K. W., Rehkopf, D. H., and Xuan, Z. 2010. "Effects of Prenatal Poverty on Infant Health State Earned Income Tax Credits and Birth Weight". *American sociological review*, 75(4), 534-562.
- Todd, P. E., and Wolpin, K. I. 2007. "The production of cognitive achievement in children: Home, school, and racial test score gaps." *Journal of Human Capital*, 1(1), 91-136.

**Table 1. Earned Income Tax Credit Parameters, 1975-2000 (Dollar amounts unadjusted for inflation)**

Calendar Year	Credit rate (percent)	Minimum income for maximum credit	Maximum credit	Phaseout Rate (percent)	Phaseout range	
					Beginning income	Ending income
1975-78	10	4,000	400	10	4,000	8,000
1979-84	10	5,000	500	12.5	6,000	10,000
1985-86	11	5,000	550	12.22	6,500	11,000
1987	14	6,080	851	10	6,920	15,432
1988	14	6,240	874	10	9,840	18,576
1989	14	6,500	910	10	10,240	19,340
1990	14	6,810	953	10	10,730	20,264
1991						
One child	16.7	7,140	1,192	11.93	11,250	21,250
Two children	17.3	7,140	1,235	12.36	11,250	21,250
1992						
One child	17.6	7,520	1,324	12.57	11,840	22,370
Two children	18.4	7,520	1,384	13.14	11,840	22,370
1993						
One child	18.5	7,750	1,434	13.21	12,200	23,050
Two children	19.5	7,750	1,511	13.93	12,200	23,050
1994						
One child	26.3	7,750	2,038	15.98	11,000	23,755
Two children	30	8,425	2,528	17.68	11,000	25,296
1995						
One child	34	6,160	2,094	15.98	11,290	24,396
Two children	36	8,640	3,110	20.22	11,290	26,673
1996						
One child	34	6,330	2,152	15.98	11,610	25,078
Two children	40	8,890	3,556	21.06	11,610	28,495
1997						
One child	34	6,500	2,210	15.98	11,930	25,750
Two children	40	9,140	3,656	21.06	11,930	29,290
1998						
One child	34	6,680	2,271	15.98	12,260	26,473
Two children	40	9,390	3,756	21.06	12,260	30,095
1999						
One child	34	6,800	2,312	15.98	12,460	26,928
Two children	40	9,540	3,816	21.06	12,460	30,580
2000						
One child	34	6,920	2,353	15.98	12,690	27,413
Two children	40	9,720	3,888	21.06	12,690	31,152

**Table 2. Sample Means**

Variable	Black and Hispanic Mothers						White and Hispanic Mothers					
	Full Sample	Married 2 +		Full Sample	Unmarried 2 +		Full Sample	Married 2 +		Full Sample	Unmarried 2 +	
		EITC elig kid	1 EITC elig kid		EITC elig kid	1 EITC elig kid		EITC elig kid	1 EITC elig kid		EITC elig kid	1 EITC elig kid
<b>Obese</b>	0.20	0.19	0.35	0.21	0.20	0.33	0.15	0.15	0.17	0.19	0.18	0.24
<b>Overweight/Obese</b>	0.31	0.31	0.42	0.31	0.30	0.40	0.26	0.25	0.36	0.29	0.28	0.37
<b>Mother's health rating</b>	3.68	3.68	3.74	3.56	3.56	3.64	3.70	3.71	3.68	3.58	3.57	3.64
	(0.54)	(0.54)	(0.44)	(0.61)	(0.62)	(0.48)	(0.52)	(0.52)	(0.50)	(0.58)	(0.59)	(0.50)
<b>Illness w/ medical attention</b>	0.25	0.25	0.38	0.22	0.21	0.35	0.38	0.37	0.55	0.35	0.32	0.48
<b>Accident past yr</b>	0.08	0.08	0.07	0.08	0.08	0.09	0.11	0.11	0.11	0.14	0.14	0.13
<b>Home score</b>	94.24	94.02	100.18	82.45	81.69	91.75	99.95	99.64	103.94	89.25	88.09	95.20
	(15.10)	(15.09)	(14.05)	(17.08)	(17.01)	(15.10)	(13.77)	(13.87)	(11.76)	(15.29)	(15.33)	(13.59)
<b>BPI</b>	106.36	106.43	104.59	109.11	109.07	109.54	105.00	105.03	104.69	109.11	108.95	109.88
	(14.39)	(14.42)	(13.59)	(15.57)	(15.68)	(14.30)	(14.39)	(14.50)	(12.87)	(15.58)	(15.90)	(13.85)
<b>Age of child, year</b>	7.34	7.32	7.87	7.54	7.55	7.50	7.32	7.36	6.86	7.73	7.73	7.70
	(3.68)	(3.67)	(3.83)	(3.64)	(3.63)	(3.72)	(3.65)	(3.65)	(3.71)	(3.56)	(3.55)	(3.61)
<b>Child is male</b>	0.50	0.51	0.45	0.51	0.52	0.41	0.52	0.53	0.43	0.50	0.50	0.47
<b>Mom's age</b>	31.99	32.02	31.24	32.05	32.07	31.75	32.60	32.62	32.35	32.18	32.26	31.77
	(3.64)	(3.63)	(3.88)	(3.58)	(3.60)	(3.33)	(3.58)	(3.57)	(3.76)	(3.66)	(3.67)	(3.59)
<b># EITC elig kids in HH</b>	3.05	3.13	1.00	3.03	3.20	1.00	2.71	2.84	1.00	\$2.53	\$2.84	\$1.00
	(1.27)	(1.22)	0.00	(1.37)	(1.29)	0.00	(1.14)	(1.08)	0.00	(1.17)	(1.04)	0.00
<b>Mom's educ. years</b>	11.00	10.98	11.49	11.12	11.10	11.42	11.35	11.32	11.70	11.21	11.17	11.39
	(1.98)	(1.99)	(1.62)	(1.53)	(1.56)	(1.05)	(1.62)	(1.65)	(1.11)	(1.64)	(1.72)	(1.12)
<b>State AFDC ben. \$</b>	424.00	424.00	407.00	401.00	399.00	423.00	451.00	455.00	402.00	0.48	0.49	0.45
	(200.00)	(201.00)	(182.00)	(180.00)	(179.00)	(187.00)	(183.00)	(183.00)	(172.00)	(0.19)	(0.19)	(0.18)
<b>State unemp. rate</b>	6.11	6.11	5.98	6.02	6.01	6.17	5.97	5.98	5.77	6.14	6.16	6.00
	(1.52)	(1.52)	(1.52)	(1.51)	(1.51)	(1.53)	(1.63)	(1.63)	(1.61)	(1.62)	(1.62)	(1.62)
<b>Medicaid elig. Cutoff \$</b>	158.89	159.14	152.19	157.01	156.75	160.05	159.22	159.24	159.01	162.17	162.72	159.43
	(25.21)	(25.31)	(21.76)	(24.95)	(24.89)	(25.52)	(24.43)	(24.47)	(23.90)	(24.18)	(24.06)	(24.63)
<b>Mother Hispanic</b>	0.58	0.58	0.58	0.30	0.28	0.49	0.30	0.31	0.15	0.45	0.47	0.35
<b>Observations</b>	2048	1974	74	2405	2218	187	3897	3613	284	1571	1309	262

**Standard deviations of continuous variables in parentheses**

Table 3. Real EITC Benefits for EITC Eligible Women in Our Sample by Number of EITC Eligible Children in Household

Calculated EITC benefits (1992 \$)	Years of Education $\leq 12$	
	One EITC eligible kid	2+ EITC eligible kids
1990	496.2323 (671.6514)	358.5922 (597.0229)
1992	779.9894 (959.6946)	571.5343 (898.1539)
1996	1008.877 (1328.908)	1416.577 (1909.17)
1998	1064.27 (1422.023)	1339.328 (1988.183)

Source: Author's calculations from the NLSY79. Standard deviations are in the brackets.

**Table 4a: Sample Means**

Variable	Black and Hispanic, Married				Black and Hispanic, Unmarried			
	2+ EITC elig. kids, before	2+ EITC elig. kids, after	1 EITC elig. kid, before	1 EITC elig. kid, after	2+ EITC elig. kids, before	2+ EITC elig. kids, after	1 EITC elig. kid, before	1 EITC elig. kid, after
<b>Obese</b>	0.18	0.20	0.36	0.34	0.21	0.20	0.29	0.36
<b>Overweight/Obese</b>	0.31	0.31	0.42	0.41	0.31	0.30	0.37	0.43
<b>Illness w/ medical attention</b>	0.31	0.17	0.44	0.30	0.25	0.16	0.41	0.28
<b>Accident in past year</b>	0.08	0.07	0.07	0.07	0.07	0.08	0.06	0.11
<b>Home score</b>	94.16	93.84	102.60	96.86	81.69	81.69	92.26	91.22
	(15.03)	(15.18)	(14.87)	(12.31)	(17.02)	(17.01)	(14.11)	(16.13)
<b>BPI</b>	106.40	106.45	102.77	106.54	109.28	108.89	109.53	109.56
	(14.25)	(14.57)	(12.02)	(15.07)	(15.38)	(15.92)	(12.89)	(15.27)
<b>Mother's health rating</b>	3.58	3.68	4.00	3.73	3.52	3.56	4.00	3.62
	(0.69)	(0.53)	(0.00)	(0.45)	(0.62)	(0.63)	(0.00)	(0.49)
<b>Hispanic</b>	0.56	0.60	0.61	0.53	0.29	0.27	0.47	0.50
<b>Age of child, year</b>	5.19	10.03	5.45	11.41	5.43	10.11	5.16	10.02
	(2.79)	(2.78)	(2.74)	(2.01)	(2.81)	(2.77)	(2.79)	(2.84)
<b>Child is male</b>	0.51	0.51	0.43	0.47	0.52	0.52	0.44	0.37
<b>Mom's age</b>	29.61	35.09	28.77	34.87	29.62	35.04	29.18	34.52
	(2.41)	(2.39)	(2.31)	(2.67)	(2.40)	(2.37)	(1.96)	(2.01)
<b># EITC elig kids in HH</b>	3.03	3.26	1.00	1.00	3.13	3.28	1.00	1.00
	(1.17)	(1.28)	0.00	0.00	(1.24)	(1.34)	0.00	0.00
<b>Mom's educ. years</b>	11.02	10.92	11.55	11.40	11.04	11.16	11.32	11.52
	(1.90)	(2.09)	(1.50)	(1.81)	(1.60)	(1.51)	(1.12)	(0.95)
<b>AFDC benefits, \$</b>	457.50	380.90	437.90	362.00	430.90	360.60	460.60	381.90
	(222.10)	(158.50)	(197.60)	(148.70)	(195.90)	(146.90)	(207.90)	(153.00)
<b>State unemp. rate</b>	6.67	5.38	6.54	5.15	6.74	5.12	6.90	5.38
	(1.50)	(1.22)	(1.47)	(1.19)	(1.41)	(1.10)	(1.43)	(1.21)
<b>Medicaid elig. Cutoff \$</b>	157.77	160.95	153.02	150.97	156.42	157.15	159.61	160.53
	(25.28)	(25.25)	(21.91)	(21.84)	(24.81)	(24.99)	(25.53)	(25.64)
<b>Observations</b>	1107	867	44	30	1214	1004	97	90

Standard deviations of continuous variables in parentheses

Table 4b: Sample Means	White and Hispanic, Married				White and Hispanic, Unmarried			
	2+ EITC elig. kids, before	2+ EITC elig. kids, after	1 EITC elig. kid, before	1 EITC elig. kid, after	2+ EITC elig. kids, before	2+ EITC elig. kids, after	1 EITC elig. kid, before	1 EITC elig. kid, after
<b>Obese</b>	0.14	0.15	0.17	0.17	0.17	0.18	0.23	0.26
<b>Overweight/Obese</b>	0.25	0.25	0.35	0.37	0.27	0.28	0.36	0.39
<b>Illness w/ medical attention</b>	0.44	0.29	0.63	0.46	0.39	0.23	0.56	0.39
<b>Accident in past year</b>	0.10	0.12	0.08	0.15	0.12	0.16	0.12	0.15
<b>Home score</b>	99.76	99.50	105.95	101.84	88.36	87.78	97.21	92.74
	(13.94)	(13.79)	(11.54)	(11.65)	(15.70)	(14.89)	(12.95)	(14.00)
<b>BPI</b>	104.82	105.19	102.23	106.14	109.31	108.64	110.73	109.09
	(14.37)	(14.60)	(11.75)	(13.31)	(15.32)	(16.41)	(12.89)	(14.71)
<b>Mother's health rating</b>	3.54	3.71	4.00	3.67	3.59	3.57	3.71	3.63
	(0.66)	(0.51)	(0.00)	(0.51)	(0.67)	(0.59)	(0.49)	(0.50)
<b>Hispanic</b>	0.32	0.31	0.18	0.12	0.48	0.47	0.32	0.38
<b>Age of child, year</b>	5.16	9.96	4.57	9.35	5.68	10.28	5.72	10.16
	(2.73)	(2.77)	(2.77)	(2.91)	(2.74)	(2.68)	(2.82)	(2.92)
<b>Child is male</b>	0.53	0.53	0.43	0.42	0.49	0.51	0.48	0.46
<b>Mom's age</b>	30.13	35.56	29.72	35.21	29.76	35.37	29.43	34.68
	(2.34)	(2.32)	(2.54)	(2.60)	(2.37)	(2.41)	(2.42)	(2.53)
<b># EITC elig kids in HH</b>	2.77	2.93	1.00	1.00	2.78	2.92	1.00	1.00
	(1.03)	(1.13)	0.00	0.00	(1.00)	(1.08)	0.00	0.00
<b>Mom's educ. years</b>	11.33	11.30	11.70	11.69	11.06	11.31	11.34	11.45
	(1.61)	(1.70)	(1.07)	(1.16)	(1.78)	(1.64)	(1.14)	(1.10)
<b>AFDC benefits, \$</b>	492.2	410	440	361.1	528.4	435.9	487.9	409.7
	(200.90)	(146.50)	(193.40)	(133.20)	(206.10)	(147.60)	(191.90)	(148.00)
<b>State unemp. rate</b>	6.71	5.11	6.57	4.90	6.90	5.26	6.65	5.18
	(1.57)	(1.21)	(1.61)	(1.08)	(1.55)	(1.18)	(1.61)	(1.20)
<b>Medicaid elig. Cutoff \$</b>	158.92	159.62	158.32	159.76	162.35	163.17	159.36	159.51
	(24.46)	(24.49)	(23.88)	(23.99)	(24.17)	(23.93)	(24.76)	(24.56)
<b>Observations</b>	1956	1657	148	136	725	584	145	117

Standard deviations of continuous variables in parentheses

**Table 5. DD by Race/Ethnicity and Maternal Marital Status**

<b>VARIABLES</b>	<b>Obese</b>	<b>Overweight/ Obese</b>	<b>Mother-Rated Health</b>	<b>Illness</b>	<b>Accident</b>	<b>HOME Z-Score</b>	<b>BPI Z-Score</b>
<b>White + Hispanic, Unmarried</b>	-0.0126 (0.0459)	-0.0143 (0.0527)	0.1237 (0.2548)	0.0403 (0.0656)	-0.0102 (0.0404)	4.5459** (2.0295)	1.1280 (2.1266)
<b>Observations</b>	1,129	1,129	690	1,553	1,564	1,492	1,273
<b>R-squared</b>	0.1519	0.1186	0.1072	0.1338	0.0763	0.1674	0.1135
<b>White + Hispanic, Married</b>	0.0058 (0.0479)	-0.0287 (0.0506)	0.6191*** (0.1581)	0.0167 (0.0597)	-0.0540 (0.0400)	4.3650*** (1.4692)	-3.9583** (1.9551)
<b>Observations</b>	2,637	2,637	1,720	3,812	3,852	3,656	2,992
<b>R-squared</b>	0.0818	0.0807	0.0911	0.1033	0.0290	0.1813	0.0867
<b>Black + Hispanic, Unmarried</b>	-0.0824 (0.0594)	-0.0838 (0.0597)	0.3507*** (0.1318)	0.0550 (0.0621)	-0.0369 (0.0473)	2.4239 (2.1989)	-0.7095 (2.3533)
<b>Observations</b>	1,649	1,649	1,062	2,379	2,400	2,271	1,866
<b>R-squared</b>	0.1279	0.1161	0.0857	0.0839	0.0462	0.1881	0.1074
<b>Black + Hispanic, Married</b>	0.0162 (0.1019)	-0.0001 (0.1155)	0.6158*** (0.2307)	-0.0805 (0.1086)	-0.0353 (0.0620)	6.2877 (3.2741)	-1.1957 (3.5795)
<b>Observations</b>	1,392	1,392	862	1,994	2,017	1,903	1,540
<b>R-squared</b>	0.0968	0.1303	0.0846	0.1145	0.0518	0.1551	0.1121

Robust standard errors in parentheses. All Models include state fixed effects.

\*\*\* p<0.01, \*\* p<0.05

**Table 6. DD + Mother FE by Race/Ethnicity and Maternal Marital Status**

<b>VARIABLES</b>	<b>Obese</b>	<b>Overweight/ Obese</b>	<b>Mother-Rated Health</b>	<b>Illness</b>	<b>Accident</b>	<b>HOME Z-Score</b>	<b>BPI Z-Score</b>
<b>White + Hispanic, Unmarried</b>	-0.0029 (0.0054)	-0.0042 (0.0062)	-0.1913 (0.2888)	0.0778 (0.0729)	-0.0130 (0.0405)	5.7593** (2.3054)	1.1535 (2.1070)
<b>Observations</b>	1,129	1,129	690	1,553	1,564	1,492	1,273
<b>R-squared</b>	0.0633	0.0646	0.0595	0.0663	0.0391	0.0517	0.0587
<b>Number of ID</b>	348	348	302	424	424	420	407
<b>White + Hispanic, Married</b>	-0.0033 (0.0028)	-0.0032 (0.0039)	1.1901*** (0.0980)	-0.0177 (0.0688)	-0.1342*** (0.0439)	3.3210** (1.5233)	1.7261 (1.7847)
<b>Observations</b>	2,637	2,637	1,720	3,812	3,852	3,656	2,992
<b>R-squared</b>	0.0305	0.0140	0.0402	0.0549	0.0309	0.0547	0.0571
<b>Number of ID</b>	633	633	638	780	781	770	744
<b>Black + Hispanic, Unmarried</b>	-0.0043 (0.0038)	-0.0060 (0.0047)	0.4715 (0.2472)	0.0638 (0.0670)	-0.0444 (0.0543)	3.9758 (2.2164)	-1.3824 (2.3692)
<b>Observations</b>	1,649	1,649	1,062	2,379	2,400	2,271	1,866
<b>R-squared</b>	0.0334	0.0463	0.0212	0.0490	0.0260	0.0442	0.0455
<b>Number of ID</b>	402	402	398	486	486	484	473
<b>Black + Hispanic, Married</b>	-0.0006 (0.0030)	-0.0019 (0.0035)	0.1050 (0.3643)	-0.0737 (0.1319)	-0.0523 (0.0665)	4.9723 (3.9843)	0.9244 (3.3083)
<b>Observations</b>	1,392	1,392	862	1,994	2,017	1,903	1,540
<b>R-squared</b>	0.0332	0.0387	0.0240	0.0610	0.0429	0.0668	0.0579
<b>Number of ID</b>	366	366	318	428	430	423	404

Robust standard errors in parentheses. All Models include state fixed effects. \*\*\* p<0.01, \*\* p<0.05

Table 7. Falsification Test: 2 Kids vs. 3+ Kids

VARIABLES	Obese	Overweight/ Obese	Mother-Rated Health	Illness	Accident	HOME Z-Score	BPI Z-Score
<b>White + Hispanic, Unmarried</b>	-0.0125 (0.0140)	-0.0241 (0.0157)	0.5614 (0.3172)	0.0705 (0.0714)	-0.0510 (0.0480)	4.7566 (2.7095)	-2.6460 (2.2981)
<b>Observations</b>	941	941	577	1,290	1,301	1,246	1,060
<b>R-squared</b>	0.0641	0.0654	0.0697	0.0654	0.0338	0.0549	0.0667
<b>Number of ID</b>	272	272	219	313	313	309	304
<b>White + Hispanic, Married</b>	0.0001 (0.0050)	-0.0013 (0.0066)	-0.0739 (0.1769)	-0.0292 (0.0412)	-0.0091 (0.0242)	0.8422 (1.1182)	-0.1427 (1.0593)
<b>Observations</b>	2,451	2,451	1,589	3,527	3,564	3,384	2,778
<b>R-squared</b>	0.0307	0.0141	0.0375	0.0578	0.0282	0.0599	0.0595
<b>Number of ID</b>	561	561	548	663	664	658	639
<b>Black + Hispanic, Unmarried</b>	-0.0058 (0.0083)	-0.0061 (0.0102)	-0.0651 (0.1757)	-0.0655 (0.0432)	-0.0062 (0.0250)	0.3390 (2.0617)	-2.1478 (1.8634)
<b>Observations</b>	1,527	1,527	979	2,193	2,214	2,099	1,722
<b>R-squared</b>	0.0335	0.0467	0.0186	0.0487	0.0260	0.0466	0.0529
<b>Number of ID</b>	358	358	343	419	419	417	408
<b>Black + Hispanic, Married</b>	-0.0030 (0.0071)	-0.0001 (0.0071)	0.1484 (0.1663)	0.0495 (0.0593)	-0.0021 (0.0335)	1.1713 (1.7072)	1.4352 (1.5883)
<b>Observations</b>	1,327	1,327	831	1,921	1,943	1,832	1,482
<b>R-squared</b>	0.0332	0.0387	0.0262	0.0619	0.0459	0.0728	0.0583
<b>Number of ID</b>	337	337	297	392	394	389	375

Robust standard errors in parentheses. All models control for state fixed effects.

\*\*\* p<0.01, \*\* p<0.05

**Table 8: Falsified Policy Timing: 90 vs. 92.**

<b>VARIABLES</b>	<b>Obese</b>	<b>Overweight/ Obese</b>	<b>Illness</b>	<b>Accident</b>	<b>HOME Z-Score</b>	<b>BPI Z-Score</b>
<b>White + Hispanic, Unmarried</b>	0.0032 (0.0044)	-0.0006 (0.0033)	0.0623 (0.0931)	-0.0545 (0.0687)	2.8665 (2.4602)	-3.1408 (1.9900)
<b>Observations</b>	657	657	858	868	818	600
<b>R-squared</b>	0.0516	0.0418	0.0276	0.0175	0.0497	0.1105
<b>Number of ID</b>	282	282	338	339	331	289
<b>White + Hispanic, Married</b>	-0.0000 (0.0004)	-0.0007 (0.0008)	-0.0315 (0.0972)	-0.0258 (0.0553)	-1.1785 (1.7836)	0.1064 (1.8427)
<b>Observations</b>	1,511	1,511	2,066	2,096	1,967	1,304
<b>R-squared</b>	0.0257	0.0116	0.0376	0.0083	0.0420	0.0841
<b>Number of ID</b>	575	575	705	707	685	576
<b>Black + Hispanic, Unmarried</b>	0.0007 (0.0023)	-0.0004 (0.0015)	0.0759 (0.1149)	-0.0441 (0.0611)	3.6424 (2.7470)	-2.4314 (2.4365)
<b>Observations</b>	945	945	1,289	1,308	1,217	837
<b>R-squared</b>	0.0272	0.0344	0.0378	0.0182	0.0629	0.0992
<b>Number of ID</b>	358	358	431	431	420	367
<b>Black + Hispanic, Married</b>	-0.0000 (0.0005)	-0.0012 (0.0017)	-0.0111 (0.1373)	-0.0120 (0.0790)	-4.4038 (4.6798)	0.0138 (2.0850)
<b>Observations</b>	824	824	1,133	1,149	1,071	716
<b>R-squared</b>	0.0321	0.0428	0.0523	0.0425	0.0530	0.0868
<b>Number of ID</b>	319	319	371	373	362	323

Robust standard errors in parentheses. \*\*\* p<0.01, \*\* p<0.05. Each cell represents a separate regression and each regression includes the full set of controls shown in table 2 plus state fixed effects.

**Table 9. DD + Mother FE with Lagged Treatment Effects**

<b>VARIABLES</b>	<b>Obese</b>	<b>Overweight/ Obese</b>	<b>Mother-Rated Health</b>	<b>Illness</b>	<b>Accident</b>	<b>HOME Z-Score</b>	<b>BPI Z-Score</b>
<b>White + Hispanic, Unmarried</b>							
<b>1996</b>	0.0019 (0.0039)	-0.0024 (0.0044)	-0.1869 (0.2900)	0.0687 (0.0821)	-0.0174 (0.0489)	4.1987 (2.5471)	0.3823 (2.2251)
<b>1998</b>	-0.0161 (0.0151)	-0.0128 (0.0168)	-0.2538 (0.3127)	0.0842 (0.1029)	0.0107 (0.0754)	8.5504*** (2.5907)	3.3950 (2.9526)
<b>R-squared</b>	0.0634	0.0642	0.0600	0.0651	0.0380	0.0522	0.0594
<b>White + Hispanic, Married</b>							
<b>1996</b>	-0.0014 (0.0023)	0.0019 (0.0027)	1.1896*** (0.0980)	0.0063 (0.0778)	-0.0985** (0.0460)	3.2207 (1.6486)	1.7120 (1.7459)
<b>1998</b>	-0.0073 (0.0057)	-0.0140 (0.0078)	1.1169*** (0.1252)	-0.0616 (0.0862)	-0.2011*** (0.0712)	3.4880 (2.1515)	1.7612 (2.2487)
<b>R-squared</b>	0.0305	0.0140	0.0407	0.0551	0.0318	0.0547	0.0571
<b>Black + Hispanic, Unmarried</b>							
<b>1996</b>	-0.0028 (0.0032)	-0.0024 (0.0045)	0.4560 (0.2452)	-0.0083 (0.0736)	-0.0475 (0.0574)	3.7714 (2.5591)	-2.3909 (2.5262)
<b>1998</b>	-0.0066 (0.0099)	-0.0165 (0.0118)	0.3973 (0.2725)	0.2233** (0.0899)	-0.0391 (0.0765)	4.2206 (2.8534)	1.1432 (3.1005)
<b>R-squared</b>	0.0333	0.0463	0.0199	0.0515	0.0257	0.0437	0.0463
<b>Black + Hispanic, Married</b>							
<b>1996</b>	-0.0017 (0.0022)	0.0009 (0.0022)	0.1328 (0.3935)	-0.0691 (0.1348)	0.0167 (0.0341)	5.6822 (4.0002)	1.0261 (3.1437)
<b>1998</b>	0.0021 (0.0087)	-0.0088 (0.0094)	0.1056 (0.3645)	-0.0850 (0.2071)	-0.2210 (0.1526)	3.2399 (5.8412)	0.7025 (4.7431)
<b>R-squared</b>	0.0332	0.0387	0.0240	0.0610	0.0458	0.0670	0.0579

Robust standard errors in parentheses. All Models control for state fixed effects.

Numbers of observations and numbers of IDs are the same as in Table 6.

\*\*\* p<0.01, \*\* p<0.05

Table 10. Employment Outcomes.

VARIABLES	White + Hispanic, Unmarried		White + Hispanic, Married		Black + Hispanic, Unmarried		Black + Hispanic, Married	
	weeks	employed	weeks	employed	weeks	employed	weeks	employed
<b>2+ EITC kids*after</b>	2.3270 (2.7876)	0.0020 (0.0676)	6.4570** (3.0071)	0.1509*** (0.0556)	2.2928 (2.7680)	-0.0220 (0.0661)	3.9074 (8.6153)	0.0603 (0.1373)
<b>AGE of mother</b>	1.2121 (2.4756)	0.1025 (0.0606)	-2.7977 (1.9515)	-0.0277 (0.0389)	0.0803 (2.4391)	0.1327** (0.0586)	2.0414 (2.6976)	-0.0019 (0.0557)
<b>EITC elig. kids</b>	-2.3554 (1.3762)	-0.0462 (0.0480)	-1.5359 (1.2196)	-0.0234 (0.0284)	-0.5065 (1.0866)	-0.0051 (0.0274)	-0.7036 (1.4013)	-0.0478 (0.0342)
<b>Educ. of mom</b>	-0.2708 (2.4206)	-0.0287 (0.0588)	-4.2541** (1.6871)	0.0164 (0.0296)	0.1767 (2.1417)	-0.0231 (0.0493)	-4.1865** (2.1175)	0.0339 (0.0394)
<b>State AFDC ben. \$</b>	14.6146 (18.8073)	0.0772 (0.4465)	-1.3441 (11.5690)	0.1937 (0.2488)	28.5861 (15.7994)	-0.2011 (0.4395)	7.1399 (16.5284)	0.1255 (0.3170)
<b>State unemp. rate</b>	-2.3183** (1.1754)	-0.0421* (0.0248)	-0.0495 (0.7705)	0.0153 (0.0168)	-1.5734 (0.9885)	-0.0385 (0.0245)	1.3690 (1.1004)	0.0136 (0.0243)
<b>Constant</b>	-11.8830 (98.1310)	-2.6860 (2.3024)	196.1648*** (61.8222)	1.5258 (1.2046)	12.5440 (78.1259)	-2.6834 (1.8121)	-24.6590 (105.4498)	1.1780 (2.1683)
<b>Observations</b>	911	911	2,073	2,073	1,249	1,249	1,047	1,047
<b>R-squared</b>	0.1062	0.1082	0.1021	0.0794	0.0850	0.0735	0.1137	0.0989
<b>Number of ID</b>	418	418	778	778	482	482	428	428

Robust standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05

## Appendix

Table 1. DD for White+Hispanic Unmarried Mothers

VARIABLES	(1) Obese	(2) Overweight/O bese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	-0.0126 (0.0459)	-0.0143 (0.0527)	0.1237 (0.2548)	0.0403 (0.0656)	-0.0102 (0.0404)	4.5459** (2.0295)	1.1280 (2.1266)
2+ EITC kids	-0.0369 (0.0687)	-0.0592 (0.0833)	-0.2666 (0.2661)	-0.1067* (0.0554)	0.0457 (0.0326)	-6.3087*** (1.8068)	0.2383 (2.3094)
Year=1996 or 1998	0.1521 (0.1011)	0.2330* (0.1221)	0.1064 (0.3173)	-0.0558 (0.1049)	0.0444 (0.0728)	-6.1619* (3.6543)	-5.0517 (3.8867)
Age of child, year	-0.0390*** (0.0111)	-0.0266** (0.0135)	0.0037 (0.0101)	-0.0203*** (0.0046)	0.0034 (0.0032)	0.0397 (0.1679)	0.7427*** (0.2326)
Mom's age	0.0111 (0.0090)	-0.0033 (0.0104)	-0.0225 (0.0138)	0.0156** (0.0071)	0.0088** (0.0044)	0.3516 (0.2631)	-0.0533 (0.3061)
# EITC elig kids in HH	-0.0162 (0.0199)	-0.0110 (0.0318)	0.0348 (0.0357)	-0.0309** (0.0120)	-0.0252*** (0.0074)	-1.0259* (0.5468)	-0.8900 (0.7644)
Mom's educ. years	-0.0176 (0.0159)	-0.0184 (0.0168)	0.0281 (0.0196)	0.0112 (0.0079)	0.0010 (0.0054)	1.2952*** (0.3937)	-0.7083* (0.3855)
AFDC benefits, \$1K	-0.0610 (0.2243)	0.0780 (0.2568)	-0.5482 (0.9023)	0.8507*** (0.2985)	0.2770 (0.2082)	-2.8592 (13.0703)	0.3634 (11.3912)
State unemp. rate	0.0009 (0.0112)	0.0187 (0.0159)	0.0311 (0.0724)	0.0325 (0.0201)	0.0224 (0.0151)	0.2706 (0.8182)	-0.3497 (0.6912)
medicaid	0.0005 (0.0018)	0.0002 (0.0018)	-0.0028 (0.0023)	0.0009 (0.0016)	-0.0010 (0.0007)	0.0799** (0.0400)	0.0629 (0.0568)
Constant	0.2719 (0.3693)	0.5683 (0.4406)	4.4606*** (0.7780)	-0.5743 (0.3637)	-0.2382 (0.2266)	62.5559*** (12.1275)	111.9553*** (14.8504)
Observations	1,129	1,129	690	1,553	1,564	1,492	1,273
R-squared	0.1519	0.1186	0.1072	0.1338	0.0763	0.1674	0.1135

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 2. DD for White+Hispanic Married Mothers

VARIABLES	(1) Obese	(2) Overweight/Obese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	0.0058 (0.0479)	-0.0287 (0.0506)	0.6191*** (0.1581)	0.0167 (0.0597)	-0.0540 (0.0400)	4.3650*** (1.4692)	-3.9583** (1.9551)
2+ EITC kids	-0.0066 (0.0546)	-0.0759 (0.0740)	-0.5255*** (0.1499)	-0.0841* (0.0475)	0.0440* (0.0260)	-2.7500** (1.3969)	2.1063 (1.9150)
Year=1996 or 1998	0.2186*** (0.0736)	0.1842** (0.0832)	-0.1885 (0.1832)	-0.0288 (0.0828)	0.0240 (0.0506)	-8.2676*** (2.2033)	3.9885 (2.7452)
Age of child, year	-0.0248*** (0.0065)	-0.0249*** (0.0074)	-0.0174*** (0.0053)	-0.0220*** (0.0033)	0.0053*** (0.0020)	0.3721*** (0.1003)	0.5510*** (0.1412)
Mom's age	-0.0144** (0.0062)	-0.0084 (0.0074)	0.0059 (0.0083)	-0.0013 (0.0051)	-0.0041* (0.0025)	0.5957*** (0.1882)	-0.3496 (0.2173)
# EITC elig kids in HH	-0.0209 (0.0127)	-0.0252 (0.0155)	-0.0035 (0.0152)	-0.0333*** (0.0120)	-0.0025 (0.0049)	-1.6147*** (0.4117)	0.1547 (0.4621)
Mom's educ. years	-0.0023 (0.0093)	-0.0056 (0.0112)	0.0534*** (0.0156)	0.0168*** (0.0060)	0.0063** (0.0031)	1.5872*** (0.2390)	-0.9776*** (0.3484)
AFDC benefits, \$1K	-0.0071 (0.1391)	0.1320 (0.1603)	-0.4776 (0.5947)	0.1107 (0.2126)	-0.1970 (0.1262)	4.4968 (6.7342)	-3.8247 (7.3789)
State unemp. rate	0.0000 (0.0072)	-0.0059 (0.0093)	0.0952* (0.0504)	0.0023 (0.0146)	-0.0108 (0.0081)	0.0894 (0.4092)	0.0748 (0.4560)
medicaid	0.0006 (0.0016)	0.0017 (0.0016)	-0.0000 (0.0013)	-0.0003 (0.0009)	0.0013* (0.0007)	-0.0479* (0.0280)	-0.1094*** (0.0417)
Constant	0.6267* (0.3238)	0.5061 (0.3725)	3.1412*** (0.5007)	0.5039* (0.2614)	0.0163 (0.1552)	74.9418*** (8.8037)	136.4672*** (11.7620)
Observations	2,637	2,637	1,720	3,812	3,852	3,656	2,992
R-squared	0.0818	0.0807	0.0911	0.1033	0.0290	0.1813	0.0867

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 3. DD for Black+Hispanic Unmarried Mothers

VARIABLES	(1) Obese	(2) Overweight/Obese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	-0.0824 (0.0594)	-0.0838 (0.0597)	0.3507*** (0.1318)	0.0550 (0.0621)	-0.0369 (0.0473)	2.4239 (2.1989)	-0.7095 (2.3533)
2+ EITC kids	-0.0044 (0.0808)	0.0314 (0.0831)	-0.3439*** (0.1265)	-0.0882* (0.0511)	0.0300 (0.0275)	-4.2442** (2.1258)	-0.8341 (2.3643)
Year=1996 or 1998	0.0611 (0.1011)	0.1166 (0.1084)	-0.2856 (0.2449)	-0.0518 (0.0892)	0.0602 (0.0610)	-6.2974* (3.6854)	-3.5690 (3.8904)
Age of child, year	-0.0224** (0.0096)	-0.0232** (0.0109)	-0.0086 (0.0091)	-0.0167*** (0.0032)	0.0044** (0.0019)	0.3559** (0.1457)	0.7606*** (0.1729)
Mom's age	0.0129 (0.0088)	0.0085 (0.0088)	-0.0140 (0.0131)	-0.0049 (0.0053)	0.0017 (0.0029)	-0.0378 (0.2855)	-0.0269 (0.2650)
# EITC elig kids in HH	-0.0431*** (0.0143)	-0.0570*** (0.0155)	-0.0204 (0.0245)	-0.0265*** (0.0075)	-0.0108*** (0.0040)	-2.5377*** (0.4777)	-0.4246 (0.5371)
Mom's educ. years	-0.0097 (0.0145)	-0.0146 (0.0149)	0.0421** (0.0206)	0.0046 (0.0069)	0.0003 (0.0039)	1.5950*** (0.3748)	-1.0199** (0.4138)
AFDC benefits, \$1K	-0.0639 (0.2320)	0.0489 (0.2430)	-0.7933 (0.9612)	0.4794* (0.2630)	0.2078 (0.1636)	-1.9.085 (13,0803)	1.9013 (10.5812)
State unemp. rate	-0.0165 (0.0102)	-0.0077 (0.0120)	-0.0027 (0.0694)	-0.0141 (0.0170)	0.0105 (0.0100)	-0.9556 (0.7264)	-0.5981 (0.7517)
medicaid	0.0005 (0.0021)	0.0012 (0.0020)	-0.0032 (0.0022)	0.0012 (0.0011)	0.0002 (0.0005)	0.0784 (0.0518)	0.0344 (0.0625)
Constant	0.1664 (0.4286)	0.2651 (0.4426)	4.5468*** (0.8560)	0.4436 (0.3124)	-0.1440 (0.1648)	68.2499*** (13.9255)	110.7812*** (14.9629)
Observations	1,649	1,649	1,062	2,379	2,400	2,271	1,866
R-squared	0.1279	0.1161	0.0857	0.0839	0.0462	0.1881	0.1074

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 4. DD for Black+Hispanic Married Mothers

VARIABLES	(1) Obese	(2) Overweight/Obese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	0.0162 (0.1019)	-0.0001 (0.1155)	0.6158*** (0.2307)	-0.0805 (0.1086)	-0.0353 (0.0620)	6.2877* (3.2741)	-1.1957 (3.5795)
2+ EITC kids	-0.1115 (0.1038)	-0.0056 (0.1140)	-0.6477*** (0.2055)	-0.0434 (0.0849)	0.0346 (0.0416)	-4.2106 (2.8068)	2.8659 (2.8429)
Year=1996 or 1998	0.2463* (0.1404)	0.2266 (0.1585)	-0.4902* (0.2744)	-0.0195 (0.1390)	0.0180 (0.0770)	-6.9589 (4.5479)	0.4396 (5.1184)
Age of child, year	-0.0209** (0.0096)	-0.0323*** (0.0103)	-0.0122 (0.0079)	-0.0172*** (0.0044)	0.0041 (0.0026)	0.6310*** (0.1631)	0.4700*** (0.1776)
Mom's age	-0.0123 (0.0093)	-0.0104 (0.0105)	0.0064 (0.0123)	-0.0002 (0.0062)	-0.0071** (0.0030)	0.4939* (0.2992)	-0.2431 (0.2847)
# EITC elig kids in HH	-0.0276 (0.0179)	-0.0484*** (0.0179)	0.0004 (0.0199)	-0.0132 (0.0169)	0.0012 (0.0061)	-1.3027** (0.6009)	-0.0523 (0.5697)
Mom's educ. years	0.0099 (0.0107)	0.0151 (0.0120)	0.0536*** (0.0196)	0.0232*** (0.0068)	0.0052 (0.0033)	1.7734*** (0.3236)	-1.0519*** (0.3882)
AFDC benefits, \$1K	0.2516 (0.2339)	0.2475 (0.2460)	0.3834 (0.7928)	0.1489 (0.2598)	-0.1535 (0.1467)	11.0991 (9.6517)	-4.3999 (10.3676)
State unemp. rate	0.0084 (0.0133)	-0.0045 (0.0142)	-0.0061 (0.0751)	-0.0140 (0.0197)	0.0007 (0.0106)	1.1851* (0.6432)	-0.2658 (0.7607)
medicaid	0.0014 (0.0020)	0.0011 (0.0018)	0.0010 (0.0016)	0.0000 (0.0009)	0.0000 (0.0007)	-0.0213 (0.0344)	0.0109 (0.0458)
Constant	0.5402 (0.4972)	0.7299 (0.5052)	3.4153*** (0.7225)	0.0227 (0.3174)	0.1212 (0.1857)	57.4316*** (12.5842)	123.3195*** (13.9853)
Observations	1,392	1,392	862	1,994	2,017	1,903	1,540
R-squared	0.0968	0.1303	0.0846	0.1145	0.0518	0.1551	0.1121

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 5. DD + Mother FE for White+Hispanic Unmarried Mothers

VARIABLES	(1) Obese	(2) Overweight/O bese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	-0.0029 (0.0054)	-0.0042 (0.0062)	-0.1913 (0.2888)	0.0778 (0.0729)	-0.0130 (0.0405)	5.7593** (2.3054)	1.1535 (2.1070)
Year=1996 or 1998			1.1817 (0.7872)				
Age of child, year	-0.0306** (0.0154)	-0.0393** (0.0177)	-0.0140 (0.0091)	-0.0103* (0.0059)	0.0043 (0.0052)	0.4848*** (0.1404)	1.1334*** (0.3009)
Mom's age	0.0122 (0.0145)	0.0067 (0.0157)	-0.1317 (0.1315)	0.0416 (0.0585)	0.0624 (0.0463)	-1.2875 (2.2462)	0.4064 (1.5797)
# EITC elig kids in HH	0.0057 (0.0074)	-0.0030 (0.0087)	0.0857 (0.1189)	0.0085 (0.0257)	-0.0456* (0.0263)	-0.9390 (1.7474)	-0.7351 (1.6255)
Mom's educ. years	0.0113* (0.0058)	0.0121* (0.0063)	-0.1781* (0.0920)	-0.0592* (0.0331)	-0.0671** (0.0337)	-1.0911 (1.3486)	1.4768 (1.9308)
AFDC benefits, \$1K	-0.0727 (0.0829)	-0.0408 (0.0828)	-1.2832 (1.2133)	0.4521 (0.3067)	0.3903 (0.2563)	-12.6240 (14.8956)	5.8460 (11.4730)
State unemp. rate	0.0042 (0.0032)	0.0094** (0.0044)	0.0372 (0.0920)	0.0140 (0.0221)	0.0305* (0.0175)	-0.6267 (0.7121)	0.1555 (0.7405)
medicaid	-0.0099*** (0.0036)	-0.0091** (0.0037)	0.0001 (0.0039)	-0.0003 (0.0019)	-0.0003 (0.0016)	0.0624 (0.0607)	0.0424 (0.0493)
Constant	1.5712* (0.8291)	1.8840** (0.8487)	9.8557** (4.6168)	-0.8045 (2.2972)	-1.3717 (1.8018)	147.5369* (87.4364)	49.2674 (66.8676)
Observations	1,129	1,129	690	1,553	1,564	1,492	1,273
R-squared	0.0633	0.0646	0.0595	0.0663	0.0391	0.0517	0.0587
Number of ID	348	348	302	424	424	420	407

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 6. DD + Mother FE for White+Hispanic Married Mothers

VARIABLES	(1) Obese	(2) Overweight/O bese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	-0.0033 (0.0028)	-0.0032 (0.0039)	1.1901*** (0.0980)	-0.0177 (0.0688)	-0.1342*** (0.0439)	3.3210** (1.5233)	1.7261 (1.7847)
Year=1996 or 1998	0.1431** (0.0555)	0.0948 (0.0908)		-0.1280 (0.2841)	0.3211 (0.2031)	-20.2777*** (7.5717)	-13.9562* (7.5969)
Age of child, year	-0.0216** (0.0084)	-0.0201** (0.0102)	-0.0033 (0.0063)	-0.0201*** (0.0040)	0.0047 (0.0029)	0.6994*** (0.0896)	0.7701*** (0.1365)
Mom's age	0.0024 (0.0023)	0.0064 (0.0068)	-0.0513 (0.0516)	0.0161 (0.0353)	-0.0276 (0.0256)	1.6780* (0.9510)	1.2766 (0.9548)
# EITC elig kids in HH	-0.0045* (0.0027)	-0.0033 (0.0029)	-0.0596 (0.0652)	-0.0388** (0.0186)	-0.0123 (0.0128)	0.3015 (0.7097)	-0.6668 (0.9811)
Mom's educ. years	0.0000 (0.0008)	0.0012 (0.0012)	-0.0101 (0.0535)	-0.0097 (0.0356)	-0.0089 (0.0195)	0.3024 (0.6590)	1.2512 (1.2223)
AFDC benefits, \$1K	-0.0323 (0.0304)	-0.0311 (0.0475)	-0.6336 (0.6014)	0.1489 (0.2252)	-0.1124 (0.1378)	-0.0293 (6.5262)	-0.0814 (6.1604)
State unemp. rate	0.0004 (0.0010)	0.0045* (0.0025)	0.1696*** (0.0574)	0.0187 (0.0156)	-0.0097 (0.0089)	-0.0860 (0.4157)	-0.1245 (0.4335)
medicaid	0.0018 (0.0011)	0.0023 (0.0015)	0.0012 (0.0024)	-0.0010 (0.0015)	0.0027* (0.0016)	-0.0586 (0.0407)	-0.0847* (0.0486)
Constant	-0.0852 (0.1849)	-0.1294 (0.2968)	4.1920** (2.1333)	0.3797 (1.1488)	1.3583 (0.8516)	60.0186** (29.7861)	75.4347** (32.3587)
Observations	2,637	2,637	1,720	3,812	3,852	3,656	2,992
R-squared	0.0305	0.0140	0.0402	0.0549	0.0309	0.0547	0.0571
Number of ID	633	633	638	780	781	770	744

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 7. DD + Mother FE for Black+Hispanic Unmarried Mothers

VARIABLES	(1) Obese	(2) Overweight/Obese	(3) Mother-Rated Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	-0.0043 (0.0038)	-0.0060 (0.0047)	0.4715* (0.2472)	0.0638 (0.0670)	-0.0444 (0.0543)	3.9758* (2.2164)	-1.3824 (2.3692)
Year=1996 or 1998			0.1802 (0.6325)	-0.1581 (0.3501)	-0.1074 (0.2055)	4.2108 (13.7992)	
Age of child, year	-0.0295** (0.0123)	-0.0443*** (0.0151)	-0.0087 (0.0105)	-0.0136*** (0.0037)	0.0021 (0.0030)	0.8677*** (0.1300)	0.9357*** (0.1867)
Mom's age	-0.0021 (0.0096)	-0.0178 (0.0117)	-0.0932 (0.0956)	0.0132 (0.0434)	0.0253 (0.0257)	-1.8380 (1.7789)	0.3311 (1.4538)
# EITC elig kids in HH	-0.0065 (0.0056)	-0.0097 (0.0072)	-0.1191* (0.0611)	-0.0485*** (0.0185)	-0.0219** (0.0107)	-0.6189 (1.0937)	0.2826 (0.8389)
Mom's educ. years	0.0042 (0.0047)	0.0046 (0.0052)	-0.1552** (0.0778)	-0.0803** (0.0317)	-0.0335 (0.0221)	0.5019 (1.6928)	0.9320 (1.8070)
AFDC benefits, \$1K	-0.0334 (0.0338)	-0.0657 (0.0643)	-0.8857 (1.2233)	0.4522 (0.2962)	0.2588 (0.1842)	-2.297 (13.9069)	-1.0854 (11.5800)
State unemp. rate	-0.0002 (0.0024)	0.0035 (0.0034)	0.0277 (0.0685)	-0.0169 (0.0189)	0.0125 (0.0108)	-1.4997** (0.7203)	-0.3127 (0.7937)
medicaid	-0.0033 (0.0072)	0.0139 (0.0134)	0.0021 (0.0055)	0.0016 (0.0018)	0.0000 (0.0011)	0.1318** (0.0576)	0.0521 (0.0522)
Constant	1.1916 (1.1849)	-0.6179 (2.1291)	8.8413*** (3.2442)	0.5234 (1.4347)	-0.5723 (0.8488)	128.6593** (58.2536)	54.7702 (58.0875)
Observations	1,649	1,649	1,062	2,379	2,400	2,271	1,866
R-squared	0.0334	0.0463	0.0212	0.0490	0.0260	0.0442	0.0455
Number of ID	402	402	398	486	486	484	473

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

Table 8. DD + Mother FE for Black+Hispanic Married Mothers

VARIABLES	(1) Obese	(2) Overweight/O bese	(3) Mother-Rate d Health	(4) Illness	(5) Accident	(6) HOME Z-Score	(7) BPI Z-Score
2+ EITC kids*1998	-0.0006 (0.0030)	-0.0019 (0.0035)	0.1050 (0.3643)	-0.0737 (0.1319)	-0.0523 (0.0665)	4.9723 (3.9843)	0.9244 (3.3083)
Year=1996 or 1998	0.0805 (0.0850)			-0.1749 (0.3753)	0.0035 (0.2394)	-10.7166 (11.1715)	
Age of child, year	-0.0180 (0.0122)	-0.0362** (0.0142)	-0.0048 (0.0086)	-0.0189*** (0.0055)	0.0005 (0.0035)	0.8403*** (0.1469)	0.1919 (0.1751)
Mom's age	0.0085** (0.0043)	0.0072 (0.0048)	-0.0234 (0.0662)	0.0213 (0.0438)	0.0104 (0.0273)	0.7176 (1.3525)	0.2866 (1.4485)
# EITC elig kids in HH	0.0019 (0.0018)	0.0000 (0.0027)	-0.1434* (0.0801)	-0.0006 (0.0240)	-0.0286* (0.0151)	-0.1987 (0.9474)	0.8837 (0.7874)
Mom's educ. years	0.0037 (0.0039)	0.0013 (0.0040)	0.0150 (0.0434)	0.0058 (0.0325)	0.0001 (0.0220)	1.2611 (0.9405)	0.6504 (1.3130)
AFDC benefits, \$1K	0.0450 (0.0353)	0.0028 (0.0443)	1.3702* (0.7678)	0.1002 (0.2851)	-0.0384 (0.1548)	14.3965 (9.6492)	-0.4807 (8.3384)
State unemp. rate	0.0012 (0.0017)	-0.0000 (0.0022)	-0.0723 (0.0810)	-0.0162 (0.0197)	0.0118 (0.0115)	1.0605 (0.6600)	-0.3587 (0.7217)
medicaid	0.0041** (0.0017)	0.0045** (0.0023)	0.0028 (0.0022)	0.0016 (0.0013)	0.0033* (0.0018)	-0.0106 (0.0568)	-0.1009** (0.0489)
Constant	-0.6201** (0.3089)	-0.3645 (0.3563)	3.8009 (2.3706)	-0.6189 (1.3340)	-0.7640 (0.9572)	56.3824 (41.6435)	99.6342* (54.9942)
Observations	1,392	1,392	862	1,994	2,017	1,903	1,540
R-squared	0.0332	0.0387	0.0240	0.0610	0.0429	0.0668	0.0579
Number of ID	366	366	318	428	430	423	404

Robust standard errors in parentheses

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1