

VIII. OUT-OF-WEDLOCK BIRTHS

An additional statutory purpose of the Temporary Assistance for Needy Families (TANF) program is to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies.

Out-of-Wedlock Births in TANF Families

The TANF statute (section 413(e) of the Social Security Act (the Act)) requires the Department of Health and Human Services (HHS) to rank States based on a ratio of the total number of out-of-wedlock births in TANF families to the total number of births in TANF families and also to show the net changes in the ratios between the current year and the previous year. See Appendix Table 8:1 for Fiscal Year (FY) 2003 data and net changes between FY 2002 and FY 2003.

Out-of-Wedlock Birth Reduction Bonus

Also, as provided in the TANF statute in section 403(a)(2) of the Act, HHS is required to award, for FY 1999 through FY 2003, a “Bonus to Reward Decrease in Illegitimacy Ratio” to as many as five States (and three Territories, if eligible) that achieve the largest decrease in out-of-wedlock births without experiencing an increase in their abortion rates above 1995 levels.

Bonuses are awarded as follows:

- The ratio of out-of-wedlock births to total births is calculated for each State (including the District of Columbia and the Commonwealth of Puerto Rico) for the most recent two-year period for which data are available and for the prior two-year period. To compute these ratios, HHS uses the vital statistics data compiled annually by the National Center for Health Statistics (NCHS), based on records submitted by the States.
- The five States that had the largest proportionate decrease in their ratios between the most recent two-year period for which data are available and the prior two-year period are identified. These States are potentially eligible.
- If Guam, the Virgin Islands, and American Samoa had a comparable decrease in their ratios (i.e., a decrease at least as large as the smallest decrease among the other qualifying States, or a decrease that ranks among the top five decreases when all States and Territories are ranked together), they are potentially eligible.

- The potentially eligible States and Territories are notified that, to be considered for the bonus, they need to submit data on the number of abortions performed in their jurisdiction for the most recent year and for 1995.
- HHS determines which of the potentially eligible States and Territories also experienced a decrease in their rate of abortions (defined for the purposes of this bonus to be the ratio of abortions to live births) for the most recent calendar year compared to 1995, the base year specified in the Act. These States and Territories will receive a bonus award.
- While the criteria for determining bonus eligibility for Guam, the U.S. Virgin Islands, and American Samoa are the same as for the States, their eligibility is determined separately and their bonus amount is different, as specified in the statute (sections 403(a)(2)(B)(ii) for the amount of the grant and 403(a)(2)(C)(i)(I) for the definition of an eligible State).

Table A shows State award winners and Table 8:5 in the Appendix contains the information on which FY 2003 awards were based. Prior year award details are available in previous reports.

Table A

**Out-of-Wedlock Birth Reduction Bonus Award Winners
(in rank order)**

FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
1. California	1. District of Columbia	1. District of Columbia	1. District of Columbia	1. District of Columbia
2. District of Columbia	2. Arizona	2. Alabama	2. Virgin Islands	2. Virgin Islands
3. Michigan	3. Michigan	3. Michigan	3. Michigan	3. Colorado
4. Alabama	4. Alabama		4. Colorado	4. Texas
5. Massachusetts	5. Illinois		5. Texas	5. Maryland
			6. Alabama	6. Wyoming

Out-of-Wedlock Births Among the General Population

NCHS at the Centers for Disease Control and Prevention in HHS is responsible for collecting and analyzing vital statistics data. Based on the final numbers of births for 2002, NCHS data show that the birth rate for unmarried women aged 15-44 years declined slightly in 2002 to 43.7 births per 1,000 women, compared with 43.8 in 2001. The 2002 birth rate is still five percent below the 1994 peak of 46.2. The proportion of all births that were out-of-wedlock rose to 34 percent in 2002, compared with 33.5 in 2001. Since 1994, the proportion has changed very little, ranging from 32.2 to 34 percent (Appendix Tables 8:2 through 8:4). After several decades of sharp increases, non-marital childbearing leveled off during the second half of the 1990s and 2000-2001.

