



**TOWN OF AMHERST
JUSTICE COURT**

ERIE COUNTY, NEW YORK

400 JOHN JAMES AUDUBON PKWY.

W. AMHERST, NEW YORK 14228

716 — 689-4200

HON. MARK G. FARRELL
TOWN JUSTICE

July 21, 1999

Transmitted via facsimile 202-456-2878 and U.S. Mail

Ms. Nicole Rabner
Chief Domestic Advisor to the
First Lady of the United States,
Hillary Rodham Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Ms. Rabner:

Thank you for your telephone call of several days ago following up on my earlier messages to your office concerning **Drug Court/Domestic Violence Offender** issues. When Hillary Rodham Clinton was in Buffalo in May of this year, I posed to the assemblage, and discussed separately with Mrs. Clinton, the anomaly presented by the Justice Department involving a prohibition against Domestic Violence offenders from being enrolled in Federally funded **Drug Courts**.

In August of 1996, this writer implemented the first suburban **Drug Court** in the United States in order to deal with an emerging substance abuse problem in our municipality of approximately 123,000 people. Amherst, New York is one of the largest – if not the largest – Towns in the State of New York with the flagship State University center and the primary economic concentration in Western New York within its boundaries. We also have the largest Town Court within the State having an annual docket of over 31,000 cases.

Our **Drug Court** operation itself has been extremely successful with less than a 5% recidivism rate over a term of almost 37 months. Aside from the efforts of the Court, this success factor has been the direct result of the support/involvement of a dedicated Coordinator and a cadre of very supportive treatment providers and community representatives.

One of the observations that I was able to make from early on in the emergence of

our **Drug Court** operations to the present day is the high prevalence of alcohol and chemical substance use/abuse in Domestic Violence situations. As a response to this, we implemented the first active **Domestic Violence Court** in Erie County, New York in December of 1997. This was in direct response to both a self-perceived need for focused services in the Domestic Violence area and to a previous inability to deal effectively with Domestic Violence offenders once they were identified by the separate Family Offense Unit of the Amherst Police Department. (That Family Offense Unit has been well recognized in the Western New York Area for its excellence). The increase of cases was also spurred by the Domestic Violence and Family Intervention Act as passed by the New York State Legislature in 1994. This enactment has devolved on Town Courts the mandate to deal with the criminal aspect of Domestic Violence offenses concurrently with companion civil actions initiated in the County Family Court. Additionally, Town and Village Justices were then tasked with the responsibility of issuing Orders of Protection on an ex-parte basis to deal with the offenders involved. Throughout my entire tenure on the Bench, and most recently subsequent to the establishment of Amherst's **Domestic Violence Court**, it has become very apparent that in Domestic Violence situations, alcohol and drugs account for approximately 80 percent of the causative factors involved in this tragedy.

While I am able to successfully enroll alcohol and chemically dependent individuals into the **Drug Court** program and eventually reintegrate them in society once they are free of need for chemical dependency treatment, I cannot do the same for the Domestic Violence offender. This is a very frustrating scenario because the chemically dependent Domestic Violence offender – who is destroying himself or herself, is abusing the victim and impacting on numerous people connected to the personal situation – cannot be placed into a **Drug Court** program due to the specific regulatory restrictions enacted by the Justice Department that prevent such individuals from participating in a federally funded **Drug Court** program.

As you know, **Drug Courts** have increased their presence around the United States at an exponential rate over the last several years to the point where there is now in excess of 600 active **Drug Courts** around the country with numerous others in the planning stages. The National Association of Drug Court Professionals, as well as a significant number of individual Judges around the country, have recognized and expressed their concern with regard to the current prohibition of enrolling Domestic Violence offenders in **Drug Court** programs. While there appears to be a receptivity on the part of the U.S. Department of Justice, there also appears to be a prevailing legislative reluctance to extend **Drug Court** rehabilitation to chemically dependent Domestic Violence offenders. Possibly this stance, which is handcuffing the Justice Department, is based in part on the complex nature of Domestic Violence and also the need to avoid the public perception of weakness. Personally I feel this is somewhat shortsighted inasmuch as effective **Drug Court** intervention, with the very stringent rules and regulations that apply to those who are actively enrolled in that type of Court, could only foster the rehabilitation of the offenders

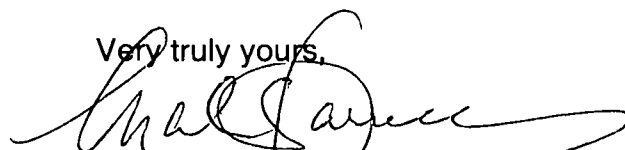
Page 3
Ms. Nicole Rabner

and act to benefit the status of the Domestic Violence victims on a long-term basis.

I truly believe this is an issue that needs to be explored and a progressive position taken. Personally I feel this is an excellent opportunity for Hillary Rodham Clinton to be in the forefront on this issue. The Office of Drug Court Programs which monitors the allocation of Federal grants to existing **Drug Courts** is run by Ms. Marilyn Roberts (202-616-5001) and I am sure her office could be contacted for additional information.

Concerning my own background, I am currently involved both as a member of the National Association of Drug Court Professionals (NADCP) and on the Executive Committee of the New York State Association of Drug Court Rehabilitation Professionals. I am also currently campaigning for New York State Supreme Court in the 8 counties of Western New York where both Drug and Domestic Violence issues continue to resurface on a daily basis.

I would be most interested in following up with you on any aspect of these or related issues. If I can be of any further assistance in pursuing this matter or if the opportunity presents itself to meet with either you or Hillary Rodham Clinton when you are next in the Buffalo, New York area, I would be most happy to do so. Please do not hesitate to contact me if you have any questions. I can be reached at the above listed address and phone number or as listed specifically below.

Very truly yours,

MARK G. FARRELL
Amherst Judge

MGF:jd

Satellite Office:
6465 Transit Road
P.O. Box 667
East Amherst, New York 14051
(716-636-6070)

Home:
84 Carriage Circle
Williamsville, New York 14221
(716-688-2002)

TOM LANTOS
CALIFORNIA

WASHINGTON OFFICE:
2217 HAYBURN BUILDING
WASHINGTON, D.C. 20515
(202) 225-3531

DISTRICT OFFICE:
400 EL CAMINO REAL
SUITE 410
SAN MATEO, CA 94402
(650) 342-0300
IN SAN FRANCISCO:
(415) 966-5257



Congress of the United States
House of Representatives
Washington, D.C. 20515

INTERNATIONAL RELATIONS COMMITTEE

Ranking Member,
Subcommittee on Asia and the Pacific

GOVERNMENT REFORM COMMITTEE

Subcommittee on National Economic Growth,
Natural Resources and Regulatory Affairs

Subcommittee on National Security,
Veterans Affairs and International Relations

Co-Chairman, Permanent United States
Congressional Delegation to the
European Parliament

Member, United States
Congressional Delegation to the
North Atlantic Assembly

Co-Chairman, Congressional
Human Rights Caucus

Member, U.S. Holocaust Memorial Council

May 24, 1999

Mrs. Hillary Rodham Clinton
Office of the First Lady
The White House
Washington, D.C. 20500

Fax: 202-456-6244

Dear Hillary,

Annette and I thoroughly enjoyed being with you at the White House for the gun control event. We have watched you almost daily from Ireland to the Balkans and back, in so many different contexts and with brilliance, authority, and *gravitas*. You are truly an extraordinary person, and I again want you to know that I will do my utmost to assist you in all of your future endeavors.

Just recently, your office received a letter from my friends Fred and Vicki Model (see attached). Their cause is a truly noble one, and I hope you can grant their request.

With deep friendship,

TOM LANTOS
Member of Congress

The Jeffrey Modell Foundation

BOSTON

The Jeffrey Modell Laboratory for Research
in Primary Immunodeficiency
Children's Hospital

The Jeffrey Modell National Center
for Immunodeficiency Diagnosis
CBR at Harvard Medical School

NEW YORK

The Jeffrey Modell Division
of Clinical Immunology
The Mount Sinai - NYU Medical Center

The Jeffrey Modell Center for Research
and Comprehensive Care in Primary Immunodeficiency
The Mount Sinai - NYU Medical Center

SEATTLE

The Jeffrey Modell Laboratory
for Research
U. of Washington School of Medicine

The Jeffrey Modell Research and
Clinical Program in Primary Immunodeficiency
Children's Hospital

May 17, 1999

Mrs. Hillary Rodham Clinton
Office of the First Lady
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mrs. Clinton:

It is with utmost respect and admiration that we write you this letter on behalf of the estimated one million children afflicted with Primary (genetic) Immune Deficiency.

We established the Jeffrey Modell Foundation (JMF) twelve years ago in memory of our son, who was tragically taken from us at the age of 15 as a result of this disease. The JMF, a 501(c)3 is the **only** organization dedicated to basic and biomedical research, physician education, patient support, and public awareness giving voice for these immunodeficient children and their families.

We have established a unique public-private partnership that includes two institutes at NIH, as well as the CDC. In addition, we have strong support from two additional NIH institute directors, the Surgeon General, and members of both parties of the House Appropriations Labor-HHS subcommittee, including its chairman.

Together we are launching an education and public awareness campaign to assure earliest possible diagnosis of children suffering with chronic recurring illnesses. We all agree that this effort will materially impact on precious healthcare dollars and most importantly save lives of our children.



BOARD OF DIRECTORS

Co-Founders
VICKI and FREDERICK MODELL

MARILYN ABRAMS
TRISH and ARTHUR BACKAL
DONNA and WILLIAM CHARLTON
RUTH and HUGH DOWNS
BETTINA and JAMES EMDEN
JILL and HOWARD FIFE
ZACHARY FISHER
LAURIE and JONATHAN FOSTER
FRANK and ERIC FRANCIS
ALAN FRANKLIN, ESQ.
SUSAN and FREDERICK FRIEDMAN
ETHEL and BRUCE GITTLIN
PAT and ED GUTMAN
DONNA and LAWRENCE HARVEY
HOWARD KATZ
GAIL LAWRENCE
STEPHEN LAWRENCE
DEBBI and MAX LEBERSFELD
ANN and JEFFREY MAHN
WENDY and JONATHAN MECHANIC, ESQ.
SHELBY and WILLIAM MODELL
WENDY and BRUCE MOSLER
ELISSA and JACK SPECTER
JEFFREY SCHMITZ
WENDY and STEPHEN SIEGEL
WENDY and STANLEY SILVERMAN
LUCIANA and MICHAEL SOLOMON
SUSAN and BARRY STEIN, M.D.
JALE WALLACH
LAUREN and STEVEN WITKOFF

MEDICAL ADVISORY

Mount Sinai - NYU Medical Center
CHARLOTTE CUNNINGHAM-RUNDLES, M.D., Ph.D.
Director, Jeffrey Modell Laboratory
Professor of Pediatrics/Medicine/Biochemistry
STEPHEN E. DOLGIN, M.D.
Chief, Pediatric Surgery
KURT HIRSCHORN, M.D.
Professor of Pediatrics and Human Genetics
NATHAN S. KASE, M.D.
Dean, Emeritus
Mount Sinai School of Medicine
JEFFREY LIPTON, M.D., Ph.D.
Chief, Pediatric Hematology/Oncology
LLOYD MAYER, M.D.
Chief, Jeffrey Modell Division of
Clinical Immunology
Director, Immunodeficiency Center
RALPH E. MOLOSHOK, M.D.
Professor Emeritus of Pediatrics

SCIENCE COUNCIL

ALAIN FISCHER, M.D.
Pediatric Immunology/Hematology
Hopital Necker - Enfants Malades
Paris, France
RAIF GENA, M.D.
Chief, Department of Immunology
Boston Children's Hospital
LARS A. HANSON, M.D.
Department of Clinical Immunology
University of Goteborg, Sweden
ROCHELLE HIRSCHORN, M.D.
Chief, Division of Medical Genetics
New York University Medical Center
HANS D. OCHS, M.D.
Professor, Pediatrics/Immunology
University of Washington School of Medicine
Seattle, Washington
FRED S. ROSEN, M.D.
President, Center for Blood Research
Harvard Medical School
THOMAS A. WALDMANN, M.D.
Chief, Metabolism Branch
National Cancer Institute, NIH

43 West 47th Street • New York, New York 10036

TEL (212) 575-1122 • FAX (212) 764-4180 • National Hotline: 1-800-JEFF-844 • www.jmfworld.com • Email: jmfworld@aol.com

The Jeffrey Modell Foundation

BOSTON • NEW YORK • SEATTLE



Mrs. Hillary Rodham Clinton
May 17, 1999
Page 2

We are hopeful that you will assist us by announcing this unique public/private collaboration at a short White House briefing with all of the partners participation. Needless to say, we will arrange such an event around your very busy schedule.

As New Yorkers, we are so proud of your accomplishments and the President's on behalf of all of our children in New York and throughout the nation. Regrettably, children with immune deficiencies have been somewhat forgotten and left behind. We all know we can make an immediate impact on their lives with this kind of event. Together, we can take pride and marvel at what is possible with the commitment of one family embraced by government leaders from both parties working to give our children improved health and genuine hope.

Your kindness and consideration will be sincerely welcomed by this working partnership.

Very truly yours,

Fred & Vicki Modell

FM:VM/ceo
encl.

N4 mental health

Copy
— mzm

**PERMANENT JUDICIAL COMMISSION
ON JUSTICE FOR CHILDREN**

140 Grand Street - Suite 404
White Plains, New York 10601
(914) 948-7568
Fax (914) 948-7584

FAX COVER SHEET

This communication is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure. If the reader of this message is not the intended recipient or an employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us by mail. Thank you.

Date: 7/6/99 Total Number of Pages 5 (including this page)

PLEASE DELIVER THIS DOCUMENT TO:

Name: Nicole Rabner
Location: Office of the First Lady
Fax #: 202-456-6244
Tel #: _____

From: Sheryl Dicker
Tel #: (914) 948-7568 Fax # (914) 948-7584

If you have trouble receiving this fax, please call the above number. Thank you

MESSAGE:

535 Alda Drive
Mamaroneck, NY 10543

Nicole Rabner
Office of the First Lady
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

July 6, 1999

Dear Nicole,

Thank you for all your help for my PCMR appointment.

As we discussed, attached is my letter and memo to the First Lady on New York mental health issues. I would be most grateful if you would share it with her.

I look forward to speaking with you soon.

Warm regards,

A handwritten signature in cursive script, appearing to read 'Sheryl', written in black ink.

Sheryl Dicker

535 Alda Drive
Mamaroneck, NY 10543

Hillary Rodham Clinton
The First Lady
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

July 6, 1999

Dear Hillary,

Pam Cicetti called with the good news that the President has appointed me to the President's Committee on Mental Retardation. I am most grateful for all your help in this matter.

As promised during our recent conversation in New York, attached are some notes about problems in New York's mental health system.

I look forward to seeing you over the summer. As always, Norman and I hope to be as helpful as we can to you. We will be happy to help convene groups (i.e. child advocates, Jewish Leaders or Westchester neighbors) at our home in Mamaroneck or elsewhere for your listening tour.

Warm Regards,



Sheryl Dicker

To: Hillary Rodham Clinton

From: Sheryl Dicker SD

Re: Preliminary Thoughts on Mental Health Issues in New York State

The Michael Winerip article, "Bedlam on the Streets", in the New York Times Magazine spotlighted the enormous problems in New York State's mental health system. The article accurately portrayed the plight of violent mentally ill adults and the lack of treatment services.

- While the Winerip article focused on the lack of services for violent and seriously mentally ill adults, the major focus of attention in the New York State legislature has been on passage of an outpatient commitment statute, known as Kendra's law. While such a statute would be similar to ones in other states, the key issue of resources for community based services has not received needed attention.
- New York has a \$4 billion mental health budget. 55% goes to serve only 5,000 patients in 28 state mental hospitals. A large percentage of that budget goes to the upkeep of unused buildings and to debt finance.
- To redeploy these funds and to build a community based system, in 1993 the Community Reinvestment Act was passed. It sought to close mental hospitals and reinvest those savings in the community. Five mental hospitals have been closed. Of the \$160 million contemplated for community reinvestment only half actually went to community services.
- There are significant gaps in services including over 20,000 seriously mentally ill people who need housing.
- Children receive only a very small percentage of the mental health budget. The State's Office of Mental Health has identified over half a million children who meet the criteria of a serious emotional disorder, yet less than 100,000 of those children are being served.
- Advocacy for mental health services is weak in New York. New York has a National Association for the Mentally Ill (NAMI) chapter that has tried to focus on the needs of families, particularly for parity and housing. It is the only advocacy organization supporting the commitment proposal. The Mental Health Association is both a provider of services and an advocacy organization. There also are an active cadre of legal advocates who along with the Mental Health Association have focused on due process issues in the pending legislation. These issues, as in the past, have framed the discussion in New York rather than the vital issue of deploying services for the thousands of seriously mentally ill people in need.

- Why are the advocates for the mentally ill less effective than advocates for the mentally retarded? The most obvious reason is the public perception of the client population--mentally retarded people are viewed as more sympathetic and less dangerous. There also has been 50 years of advocacy for the mentally retarded people in New York State and only 20 years for the mentally ill. But, the key difference is that all advocates for the mentally retarded are united on basic issues while there is a split between NAMI and other advocates over due process issues. Yet, this split has diverted attention from the central issue- - redeploying the lopsided budget to create a full-service community based system.

Q's retirement
+ Savings

THE WHITE HOUSE

February 4, 1999

Ms. Margo Alexander
Mitchell Hutchins Asset Management Inc.
1285 Avenue of the Americas
New York, New York 10019

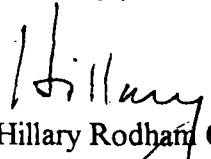
Dear Margo:

Thank you for your thoughtful letter and expression of support.

I appreciate your invitation to participate in a discussion on women and retirement security. It is an issue the Administration will continue to make a high priority in the debate on Social Security reform. A copy of your letter has been forwarded to appropriate members of my staff for consideration and they will get back to you directly in the future. It was good hearing from you again.

With best regards, I remain

Sincerely yours,


Hillary Rodham Clinton

cc: Patti Solis Doyle, Scheduling
Nicole Rabner, Domestic Policy

I was happy to see
you in New York and look
forward to doing this —

Mitchell Hutchins Asset Management Inc.
1285 Avenue of the Americas
New York, NY 10019
212 713-2402

Margo Alexander
President

cc: Dehnbury

Mitchell Hutchins

January 15, 1999

First Lady Hillary Rodham Clinton
The Office of the First Lady
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mrs. Clinton:

Each year my family spends New Year's Eve reviewing our year and listing the highlights: meeting you at the Wasserstein dinner in East Hampton was at the top of my list! I am an enormous admirer and hope I can find ways to support your work on important issues.

With that goal in mind, I would like to propose your participation in a discussion on women's retirement and savings, strategies and options on a future trip to New York City. In last year's State of the Union and the White House Conferences on Social Security, the President advocated a continuing dialogue on Social Security reform and retirement savings. You have also stepped into the savings and investment arena with your role in Vital Voices and its commitment to expand women's participation in a free market economy. Your leadership on this significant public policy issue - one that effects women across all economic lines - is admirable and crucial.

At PaineWebber we have done a significant amount of research in the area of retirement and women's financial planning. I thought that working with your staff and your priorities, we could structure a day focused on women and retirement security. We would be happy to work with the Women's Leadership Forum, Financial Women's Association and other firms involved in this issue to perhaps map out a conference you could lead.

If such a proposed meeting is of interest to you, I would be thrilled to host this discussion or conference at our corporate office.

Sincerely,

Margo Alexander

THE WHITE HOUSE

July 26, 1999

Arthur H. Rubenstein, MBBCh
Gustave Levy Distinguished Professor
Mount Sinai
One Gustave L. Levy Place
New York, New York 10029-6574

Dear Dr. Rubenstein:

Thank you for your invitation to visit Bronx VA Medical Center and for your proposal addressing the needs of veterans and other Americans with neurodegenerative diseases and spinal cord injuries. I appreciate hearing from you about this growing problem and have shared your letter with appropriate staff for consideration.

With best regards, I am

Sincerely yours,


Hillary Rodham Clinton

cc: ✓ Nicole Rabner, Domestic Policy Council
Patti Solis Doyle, Director of Scheduling



The Mount Sinai Medical Center

The Mount Sinai Hospital
Mount Sinai School of Medicine

One Gustave L. Levy Place
New York, New York 10029-6574

Arthur H. Rubenstein, MBBCh
Gustave L. Levy Distinguished Professor
Dean
Executive Vice President

Box 1475

Tel.: (212) 241-7335
Fax: (212) 410-6111

Email: arthur_rubenstein@smtplink.mssm.edu

July 21, 1999

The Honorable Hillary Rodham Clinton
First Lady of the United States
The White House
Washington, DC 20005

Dear Mrs. Clinton:

I am writing to bring to your attention, and ask your strong support for, an exciting proposal to assist the veterans of metropolitan New York City and around the nation. The proposal is being developed jointly by the Mount Sinai School of Medicine and the Bronx VA Medical Center and has the potential to significantly enhance and prolong the lives of veterans and other Americans with neurodegenerative diseases, such as Alzheimer's and Parkinson's, and spinal cord injuries.

The major neurodegenerative diseases (e.g., Alzheimer's and Parkinson's) occur uniquely later in life and are progressive lifelong afflictions. Some 20 million Americans have been diagnosed with one of these diseases at a cost of over \$100 billion annually. Statistics provided by the US Census Bureau indicate that because of our aging population, the incidence of neurodegenerative diseases and the associated human and economic costs will increase four-fold by 2040. Veterans, because of their increasing age, are more than disproportionately affected. Traumatic brain and spinal cord injury are not necessarily aging related, but also are highly represented in the veteran's population. Over 200,000 individuals in the US are living with spinal cord injury today, and another 2 million incur traumatic brain injury annually.

To expedite the project's start, we are asking for your assistance in the federal appropriations process. First, by working with a bipartisan group of members of the New York Congressional Delegation, to have \$3.3 million in the FY 2000 VA, HUD and Independent Agencies Appropriations bill to initiate facility improvements necessary to start this project. Second, to have \$12 million to complete work on this important project included in the Department of Veterans Affairs fiscal year 2001 budget request, which is



currently being formulated. The Mount Sinai School of Medicine has pledged to invest \$10 million in this partnership over the next five years, including funding new faculty and research positions at the Bronx VAMC. This investment represents a significant commitment by Mount Sinai School of Medicine to continue its long-standing relationship with the VA both in terms of providing high quality patient care and by conducting cooperative research projects that will broaden our understanding of disease and continue to lead to innovative treatments for our veterans as well as all Americans.

The Mount Sinai School of Medicine in Manhattan and the Bronx VAMC have had a longstanding cooperative relationship, including a formal academic affiliation of more than 20 years. One of the highlights of this partnership occurred in 1977, when Dr. Rosalyn Yalow, a faculty member at Mount Sinai and researcher at the Bronx VAMC, received the Nobel Prize for Medicine. Dr. Yalow, who despite her advanced years still comes to work in the Bronx, is the only VA researcher ever to receive a Nobel. The Mount Sinai-Bronx VAMC partnership has included a series of joint research projects in the area of neurodegenerative disease and spinal cord injury, issues particularly critical for the nation's veterans. Largest among these is a VA-funded Mental Illness Research, Education and Training Center (MIREC), where Mount Sinai and the Bronx VAMC are conducting research on wide variety of mental illness, including Alzheimer's. To substantially expand this research and make this collaboration a national model, we need to renovate the existing laboratory facility on the Bronx VAMC campus. Hence, our need for federal appropriations for this purpose.

As you may know, the Bronx VAMC treats more than 26,000 unique patients each year, primarily serving those living in the Bronx, Harlem and Westchester County. In addition, the Bronx VAMC operates several outpatient clinics throughout New York City and Westchester County. The Bronx VAMC and Mount Sinai plan to create a new and vibrant research program in existing space at the Bronx VA site. Physicians and scientists involved in the project will devote their energies to understanding the nature of neurodegenerative processes, e.g., what is the underlying cell action or inaction that causes nerve cells to die in disease or cases of injury, and will focus on developing therapeutic strategies to improve function and overall health. The results of this work will be of benefit to all veterans afflicted with these problems as well as the population as a whole.

The New York Congressional Delegation, including Senators Moynihan and Schumer, strongly support this project. A letter from several New York House members to the Appropriations Committee is enclosed for your review.

Building upon their support, I hope you will be able to assist Mount Sinai and the Bronx VAMC with this important project. In addition, I would like to invite you to visit with us at the current site on the grounds of the Bronx VAMC the next time you are in New York City so that you may get a first-hand look at the facility.

Thank you for your consideration of our project, and I look forward to working with you to its successful start over the next few years.

Sincerely,

A handwritten signature in black ink, appearing to read 'Arthur H. Rubenstein', with a stylized, flowing script.

Arthur H. Rubenstein, MBBCh

dobbs ferry, ny 10052

The Children's Village

Fax

To: Nicole Rabner**From:** Linda Stutz

(914) 693-0600 x 1413

*please note corrected extension

Fax: 202-456-2878**Pages:** 11 (including this one)**Phone:** ?**Date:** July 19, 1999**Re:** WAY Program**CC:** Robin Nixon, CWLA☐ **Urgent**☐ **For Review**☐ **Please Comment**☐ **Please Reply**☐ **Please Recycle****• Comments:**

Please call to confirm receipt because I do not have your phone number and therefore cannot confirm with you. Also, if you have any questions please don't hesitate to call.

*Ny Foster Care
Program*

111 Westchester



serving children and families since 1851

(914) 693-0600
Fax: (914) 674-9208

Executive Offices/Mailing Address:
Echo Hills
Dobbs Ferry, NY 10522

New York City Office:
2090 Adam Clayton Powell Boulevard
7th Avenue & 125th Street, 1st Floor
New York, NY 10027

<http://www.childrensvillage.org>

BOARD OF DIRECTORS

Chairman
MELVIN J. WASHINGTON

Vice Chairman
WILLIAM A. KRUPMAN
MICHAEL SCHAEFEN

Treasurer
PAUL H. JENKEL

Secretary
LOUIS C. LUSTENBERGER, JR.

Assistant Secretary/Treasurer
FRANK J. CAVALIERO

EUGENE ALBERT
LOIS S. AMEND
MITCHELL BERKEN
LOIS BRONZ
JAMES CAYNE
MRS. EDWARD EMERSON 3rd
SHERMAN EPSTEIN
CLAUDINE GRIFF-BASS
FREDERICK HOLDSWORTH, JR.
MARGERY LUCE JOHNSTON
KEVIN J. LIFE
JAMES E. MANN
JOHN MORGAN
ROCHELLE POWELL
ESTHER RIDDER
ROBERT S. ROBBIN
KENNETH L. ROBBINS
CONNIE RODRIGUEZ
MARY W. ALIUS SCHELLHORN
KATHLEEN S. M. SHEPHERD
JACQUELINE Y. SUTTON, Ph.D.
FRANCINE VERNON

President and CEO
NAN DALE



Joint Commission
on Accreditation of Healthcare Organizations
Accredited with Commendation



Child Welfare League of America



United Way

July 19, 1999

Nicole Rabner
The White House
VIA FACSIMILE: (202) 456-2878

Dear Ms. Rabner:

Thank you for your interest in The Children's Village Work Appreciation for Youth (WAY) Program. Per your request, we are forwarding information about the program via fax. Our President and CEO Nan Dale, who will be in Washington to testify for the House Ways and Means Committee tomorrow on issues related to this program, will forward a more complete package of material.

We would be thrilled to host a White House visit in whatever way is convenient for the First Lady and her staff, and can make arrangements for a tour and/or meeting at virtually any time. We always relish the opportunity to introduce people to this remarkable program, and because this is a program that owes a great deal to the Clinton administration, our desire to express our gratitude for their support adds to our excitement about this possibility.

WAY is an independent living skills program that provides the kind of aftercare for youth who are aging out of the foster care system that the Clintons have so strongly and successfully advocated. Thanks to Clinton Administration funded studies, seminars and support of H.R. 1802, they have increased awareness and educated the nation and its leaders about problems foster care youth face. This has led to more support for foster youth and the programs like WAY that can help them. In 1994, the Clinton Administration's Department of Labor funded replication of the WAY Program in four sites on the east coast. These replications enabled us to offer the program to more youth who needed it, and also provided the opportunity for us to test and study replication of the program.

Attached are descriptions of program components and philosophy, in addition to outcomes and some success stories highlighted by the media. What we can't possibly fax is the pride we have in this program, and especially its scholars and alumni, as well as their gratitude for what the program has made possible in their lives. This can only be shared in person. We look forward to that opportunity.

Sincerely,

Linda Stutz
Vice President for Development

The WAY Program draws on what has been learned from earlier youth employment and dropout prevention programs

There is a growing body of evidence that identifies a set of principles that seem to lie at the core of all effective programming aimed at producing labor market success for at-risk youth that are feasible to carry out on a significant scale—financially, operationally and administratively. The WAY Program is based on these principles:



WAY PROGRAM RATIONALE

EMPLOYMENT AND HIGH SCHOOL COMPLETION ARE STRONGLY CORRELATED;
YOUNG PEOPLE WHO ARE SUCCESSFUL IN SCHOOL ARE FAR MORE LIKELY TO
EXPERIENCE SUCCESS IN THE LABOR MARKET.

THE DEVELOPMENT OF WORK ETHICS (DISCIPLINE, COOPERATION, RESPONSIBILITY)
AND A WORK HISTORY AT A YOUNG AGE WILL PROVIDE YOUTH WITH THE SKILLS
AND ATTITUDES NECESSARY TO BE SUCCESSFUL IN THE WORLD OF WORK.

PROGRAM COMPONENTS MUST BE DEVELOPMENTALLY APPROPRIATE
AND WORK EXPERIENCES MUST BE CAREFULLY SEQUENCED.

A YOUNG PERSON MUST BE ABLE TO PROGRESS THROUGH THE PROGRAM
AND TOWARDS EMPLOYMENT AT HIS OR HER OWN PACE.

The WAY Program is both longer term and more comprehensive than other youth development programs, offering:

- ☐ a three to five year commitment
- ☐ a comprehensive array of services that follow youth across educational, employment, and mental health systems
- ☐ intensive, individualized service geared specifically to the developmental needs of each participant
- ☐ high quality services that address both participants' relationship and material needs.
- ☐ timely help, beginning with pre-teen youngsters and continuing until they are 18-21 years of age.

The goals of the WAY Program are:

- To instill a positive attitude about education and work;
- To teach young people skills for getting and holding a job; and
- To help participants plan for their futures and acquire a sense of control over their lives.

All WAY Programs, regardless of setting, have the following five core elements:

2

CORE ELEMENTS

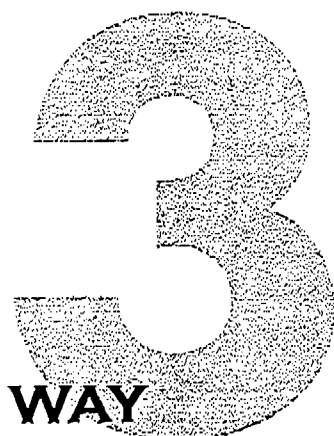
- 1 LONG-TERM, INDIVIDUALIZED COUNSELING/MENTORING** to help WAY participants meet challenges and solve problems.
WAY provides what youth often need most—the unfailing support of a caring adult to help them with school, work, and personal problems. WAY counselors become closely involved in participants' lives and serve as role models, advocates, and advisors. They see participants regularly in the office, in participants' homes, on the street, on the job—wherever and whenever help is needed.
- 2 EDUCATIONAL ADVOCACY AND TUTORING** to facilitate school success.
The program places a great deal of emphasis on helping participants succeed in school. Counselors help them find appropriate school placements or alternative programs, arrange tutoring services and communicate with teachers and guidance counselors. The importance of education as a key to long-term success in the work place is a constant theme.
- 3 WORK EXPERIENCES AND WORK ETHICS TRAINING** to enable participants to build work histories and a sense of themselves as “workers.”
A positive work experience is the best tool for teaching the rewards of employment and self-sufficiency. The WAY Program provides participants with the opportunity to hold jobs both within the program setting and in the community. Through these early employment experiences youth develop concrete knowledge of what it means to work, begin to acquire a self-image of “someone who works” and develop a range of work ethics. WAY is not a job placement program, nor does it seek to teach specific job skills. Rather, it provides a carefully sequenced process that inspires youth to want to work successfully and to learn the mechanics of seeking and keeping employment. Youth learn to look for work, deal with disappointment, try again, leave a job responsibly, get references, and develop job-related skills and attitudes along the way.
- 4 GROUP ACTIVITIES AND WORKSHOPS** to promote a positive peer culture and help youth develop life skills.
WAY instills pride and a sense of belonging and helps youth learn about making commitments. Entry into the program and continued participation are regularly celebrated through an annual dinner, award ceremonies, special events, and visits from WAY graduates. Membership in WAY is presented as a privilege—something earned and deserved. WAY participants also meet regularly for workshops on life skills, covering such topics as social responsibility, citizens' rights, sexual behavior, healthy lifestyles, housing and legal issues, conflict resolution, communication, group work skills, and parenting.
- 5 FINANCIAL INCENTIVES** to help youth plan, save, and believe in their futures.
Through a matched savings plan, the WAY Program encourages youngsters to save for future education and job training. WAY participants in the scholarship level of the program may use the matched funds for college courses, job training, or related expenses once they complete high school or obtain a GED equivalency diploma. A short-term savings plan is also encouraged and structured to allow for the fulfillment of more immediate wants and needs.

As operated in a residential group care setting, providing aftercare and independent living services, the WAY Program has two distinct components:

- 1.** WAY WORKS serves youngsters while they are "in care" at the residential program;
- 2.** WAY SCHOLARSHIP, which begins as they approach discharge, emphasizes aftercare services when they return to the community.

WAY Works is a carefully constructed work experience ladder consisting of four levels designed to give youngsters direct experience with work (unpaid, subsidized and employer paid) and provide a firm foundation for adult employment. The first WAY experience, level one, takes place in the youngsters' residences with unpaid chores and progresses to increasingly responsible jobs (worksites) on campus, such as a store, computer lab, newspaper or greenhouse. At level four, youth over the age of 15 can graduate to work in local businesses or internships. Each year, young people who will be leaving the center shortly are chosen to be inducted into the fifth and highest level of the program, WAY Scholarship.

WAY Scholarship participants sign a three to five year commitment to stay in school, work part-time and save for their futures. The WAY Scholarship Program, in turn, agrees to provide the support and guidance they need to achieve their goals, including ongoing tutoring, a dollar for dollar match for savings, and the cornerstone of WAY Scholarship, the linkage of the youth leaving the residential program with a caring, consistent, and well-trained adult over a period of three to five years.



**WAY
MODEL FOR
RESIDENTIAL
PROGRAMS**

The WAY Program Ladder

WAY WORKS

- LEVEL 1: unpaid chores at youngsters' residences
- LEVEL 2: temporary jobs with token wages and community service
- LEVEL 3: jobs at worksites within the residential setting at a slightly higher wage
- LEVEL 4: paid jobs outside the residential community, at minimum wage or above, subsidized and unsubsidized

WAY SCHOLARSHIP

- LEVEL 5: ongoing support from the WAY counselor, tutoring, and matched savings to fund post-secondary education or job training

Program Cost

The "in-care" portion of WAY is generally fundable through existing rate structures. Funding is needed for the "aftercare" part of WAY—a cost of about \$3,000 per child per year for 3 to 5 years. This is an extraordinarily small sum to pay to preserve and build upon the gains made while youth were in care at a cost of up to \$50,000 per year. Long term research on WAY suggests that spending approximately \$8.00 a day can reverse the course for a young person who has seemingly been on a trajectory towards a life in prison or otherwise a ward of the state. The expense is small; the return on investment, large.

WAY has been replicated in a variety of community-based settings, including a housing complex

As with the residential model, the main vehicles for implementing the WAY Program in a community-based setting are the five core elements: long-term, individualized counseling/mentoring; educational advocacy and tutoring; direct work experiences and work ethics training; group activities and workshops; and financial incentives.

Because youth in community-based organizations (CBOs) are not a "captive audience" when they enter the program, as are those in residential care, the following additional issues are addressed in the community model:

ENHANCED EDUCATIONAL ADVOCACY: Most participants in CBO models will likely have dropped out of school, or will be on the verge of doing so. CBOs must not only offer incentives and encouragement to attend school, but also will need to advocate for appropriate school placement.

RECRUITMENT: The community-based model involves more active recruitment of participants—through the replicating agency's other programs, in the neighborhood, on the streets, and in schools.

ENROLLMENT: Research on prior replications shows that CBOs are most successful replicating the WAY model when they limit their enrollment to participants who have relatively stable places to live and less severe emotional problems. If a program admits an extremely unstable population, it must augment its staff with full-time social workers and other mental health professionals.

ATTACHMENT: Without the benefit of residency at the beginning of the program, CBOs replicating WAY must ensure that participants develop an attachment to the entire program and not just to their counselor. While the counselor relationship is paramount, and staff turnover should be minimized, job changes will occur and participants need to feel connected to the program sufficiently to accept a new counselor.

FAMILY INVOLVEMENT: The housing complex model includes efforts to enlist parents' support for the program, as well as to provide services for parents intended to strengthen their parenting skills and help them become better role models for their children.

AGE OF TARGET POPULATION: Youth development CBOs have used WAY successfully with mid-adolescent populations. However, in a housing complex, WAY has been most effective by initiating the program with pre-teens and younger teens, age groups not yet entrenched in gangs. By year three, the program will be reaching adolescents of all ages.

PROGRAM LADDER: The Program Ladder is modified in the CBO model: without the ability to supervise participants in their homes, the first level, unpaid chores, may be excluded or replaced with volunteer service. In some instances, the replicating agency may even institute the fifth level only, WAY Scholarship.

Program Cost

The average cost per participant in the community-based model of WAY is \$3,300 per year, based on serving 80 young people in the program. This amounts to \$9.00 a day per child, a sum that, as in the residential program model, is extremely small in light of the alternative outcomes that might be expected for so many of these young people.

4

WAY MODEL FOR COMMUNITY- BASED PROGRAMS

15 years of ongoing research on the WAY Program at The Children's Village shows positive outcomes

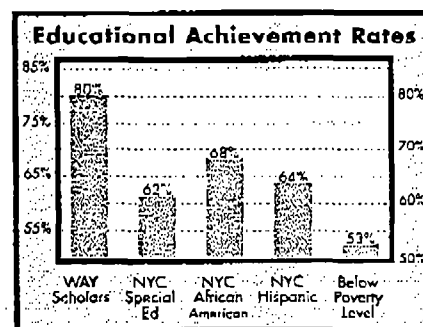
To assess the impact of WAY on at-risk youths' ability to become productive adults, The Children's Village has tracked high school graduation rates, successful entry into the workforce, and avoidance of criminal behavior. The following outcomes were compiled from a longitudinal study of WAY alumni who were between the ages of 21 and 30 years of age. At the time they entered WAY, virtually all of these youth were classified as special education, had severe emotional and/or behavioral problems, came from impoverished New York City neighborhoods and had all the early risk factors associated with criminal behavior. All were among the 4% of the New York City foster care system who had been placed in residential treatment. Nearly all are African-American or Hispanic.

5

PROGRAM OUTCOMES

WAY Alumni Finished School

80% of WAY Alumni studied had graduated from high school or received a GED diploma, results far above those for African-American, Hispanic and Special Education students in New York City and for young people nationwide living below the poverty level nationally.



WAY Alumni Pursue Post-secondary Education

51% of WAY alumni who completed high school attended some college—a remarkable percentage given their educational prospects before starting the program.

WAY Alumni are Employed

80% of alumni studied were employed, with mean earnings for full-time workers of \$23,000.

WAY Alumni Avoid Criminal Behavior

Only 8% of alumni studied had an adult arrest record for serious crime.

Initial short-term indications from community-based programs are positive

In 1994, the U.S. Department of Labor funded The Children's Village to replicate WAY in a community setting. The Children's Village partnered with four community-based organizations, located in Newark, Philadelphia, and Brooklyn, to serve young men and women who had either dropped out of school or who were at risk of dropping out. The program was successfully completed in August of 1998. Of the 40 youth active through June 1998, 78% were on a positive trajectory at the completion of the program, defined as having graduated, still in school, and/or employed. One of the replicating organizations, Project Reach Youth in Brooklyn, has continued to run the program with funds raised from private sources.

In 1997, The Children's Village partnered with Genesis Homes, a HELP housing project in the East New York section of Brooklyn, and The Hope Program, an employment program also based in Brooklyn, to replicate the WAY Program in the setting of a housing complex. Though just completing its second year of operation, the program has already achieved some impressive results: 90 children have been enrolled; a positive peer culture has evolved as an alternative to local gangs; participants' academic performance is on the rise; and almost the entire population of pre-adolescents at Genesis Homes has become involved in the program.

What people are saying about the WAY Program

"The Child Welfare League of America, CWLA, endorses WAY and encourages its replication because, at a very reasonable cost, WAY produces remarkable results. Everyone should know about WAY's approach to working with highly at-risk kids. This program proves that things do work. Kids—even the most vulnerable kids—can and will respond when we get it right."

Mike Petit, Deputy Director, Child Welfare League of America

"WAY is about young people learning to work hard and believe in themselves—and finding a helping hand extended when they need it."

Stone Phillips, Dateline NBC

"The Children's Village appears to have taken a thoughtful and honest approach in its effort to replicate the WAY Scholarship Program in community-based settings. I found that the program seems capable of generating worthwhile social outcomes for youth outside of the more controlled environment of a residential treatment facility."

David Racine, President, Replication and Program Services, Inc.

"Project Reach Youth (PRY) chose to replicate WAY because the core elements were consistent with our youth development approach and were adaptable to our community-based focus. The technical assistance provided by The Children's Village, combined with WAY's clearly defined program, made implementation possible."

Bob Madison, Executive Director, Project Reach Youth

"[WAY is] a back-to-basics program that works."

Tom Brokaw, NBC Nightly News

"I can't think of anything that builds this city over the long term more than what The Children's Village is doing with the WAY Program. It's one thing to say to young people that if they work hard they'll have an opportunity to succeed and have a really bright future, but there's a big, big gap between saying that and making it happen for young people, so that they could feel it, access it and actually see it as part of their life. And with the WAY Program, you take an ideal, which is a wonderful one, and you convert it into a reality in the lives of an increasing number of young people."

Rudy Giuliani, Mayor of New York City

"We like WAY's practice of offering youth a developmentally appropriate ladder of work experiences over a long period of time."

Joan Colello, Executive Director, The Pinkerton Foundation

"The WAY Program is one of the most effective youth programs that I know about. At Genesis Homes, we have seen a significant difference in the behavior of many of our participants. By preparing our youth for the world of work, providing them with paid work experience, and keeping the focus on education and decision-making, this program opens the doors of possibility for our children."

Jeannette Ruffins, Executive Director, Genesis Homes, HELP USA

"The WAY Program is one of 43 youth employment programs which have met the Promising and Effective Practices Network (PEPNet) criteria of effectiveness established by the National Youth Employment Coalition and supported by the U.S. Department of Labor and national foundations. As a nationally recognized PEPNet Awardee, WAY has demonstrated its effectiveness in preparing young people for careers, education, and future success."

Alan Zuckerman, Executive Director, National Youth Employment Coalition



As seen in

The New York Times

Sunday, November 23, 1997

Children's Village: Solace, Second Chance, Success

By CHUCK SLATER

"B DOBBS FERRY
EING a doctor has always been my dream," Cleveland Edwards said. Now that dream is within reach: Cleveland, 17, is a full-scholarship, premed freshman at Cornell University.

But it could not have happened without the Children's Village here.

The Children's Village is where forgotten and abandoned children get a chance to reclaim their lives, learn the skills and acquire the self-confidence needed to succeed. Started in New York City in 1851 as an orphanage for homeless immigrants' children under the name the New York Juvenile Asylum, the institution moved to Dobbs Ferry in 1901 and adopted its present name. Each year it serves few orphans but more

than 600 troubled boys from the mean streets of poverty and abuse in New York City and surrounding areas. A little more than 300 boys from 5 to 16 are in the residential treatment program, living in 20 cottages that dot the 150-acre campus of the Children's Village. There is also an entire public school district on the grounds.

The goal is to reunite children with families where possible or place them in foster homes after treatment. Group living areas off campus are another option for the boys. In addition, the village runs a sanctuary hot line and a Westchester shelter "so that no teen in Westchester is afraid tonight."

There are few tasks more daunting than making whole a rejected or abused child.

"These children, like so many others from inner-city, impoverished neighborhoods, have suffered traumas that start at birth," said Nan Dale, the executive director of the village. It was she whom the International



Michael J. Okontewski for The New York Times
Cleveland Edwards, 17, a premed student at Cornell University



Joyce Dopkeen/The New York Times

Dennis Francis, Cleveland's counselor, works with a young resident at the Children's Village in Dobbs Ferry

Rescue Committee summoned abroad to deal with Croatian and Bosnian war orphans.

"The issues we deal with are immensely complex, and the world insists on simplifying them," Ms. Dale added.

There was no simplifying Cleveland's need when, at 10, he was deposited on the Children's Village doorstep.

"I was taken away from my mother, who was charged with neglect," he said. "Whenever home they put me in, I just couldn't adjust."

Rebecca Conkling, then a Children's Village social worker, remembers.

"He was the kind of kid who fought with his mouth," she said. "He was bright and would use his intellectual prowess as a weapon with the other kids."

"He used his defenses well. He also used therapy sessions to his advantage and was

able to turn his anger and sadness around, which propelled him into academic excellence. He's a miracle."

But he is far from the only one.

Brent Richards, 60, is one of the leading citizens of Riverton, Utah, a former state senator and councilman who just finished an unsuccessful run for mayor. A prosperous small businessman, he is enriched by six children and six grandchildren.

And he was a Children's Village resident from 1949 through 1952 — "When DiMaggio was still playing for the Yankees," he said.

"I was just a very difficult child to raise," Mr. Richards continued. "I was the product of a divorce. I was in at 11, out at 14½. I learned a great deal. It was a great focus for me, a very positive impact."

Mr. Richards graduated from college. So did Aron Myers, 26, who spent his entire childhood at the village and is now program director for a nonprofit program in Cleveland serving mentally challenged adults. He is also working toward a master's degree.

That hardly seemed a likely scenario when Mr. Myers entered the village at 11.

"I was a terror," he said. "I was thrown out of six, seven, maybe eight schools. I was really kind of lost. Children's Village helped me to see in myself the ability I had to make a difference in my life and the world."

Mr. Myers, the organizer and co-chairman of the village's Alumni Committee, also took part in and still works with the WAY — Work Appreciation for Youth — program. Boys in the WAY program must sign a five-year work commitment and are taught how to apply for and hold jobs. When they get jobs, the village banks the earnings and matches them if they complete the five-year term.

Each participant in the work program is assigned a counselor who works closely with him during the five years, even if he has left the village. Dennis Francis, Cleveland's counselor, calls him at Cornell regularly. "One of the things we believe in here," he said, "is a consistent mentor, a positive adult who is simply crazy about his kid. It's that unbound love that matters."

This practical, hands-on approach is equally evident in the on-campus elementary school, which the youngsters have named Dream Street. Math is taught in a classroom arranged like a bank, and each student has his own private account of village money that can be accessed through ATM machines in the building. The social studies classroom is made to look like a court.

Most poignant is the Dream Street bulletin board, where students post hopes they would not utter. "My dream is that everyone be safe," reads one of them.

It is this total immersion that brought about the miracle that is Cleveland Edwards. In less than four years, he was ready to prosper with foster parents and then to pursue his dream at Cornell.

"I was afraid at first," Cleveland said of the Village in a telephone interview from his dorm in Ithaca. "Now I see it as a changing point of my life."

And back at Children's Village, a clean-faced young man with braces, perhaps 14 and wearing a tie and jacket, is offering articulate instruction on the mysteries of CD-ROM in the campus's traveling computer bus.

"I first saw this youngster here on another bus," said Sandy Strang, a teacher from the elementary school. "He was spitting out the window and cursing. From where he has come from to where he is now, it's amazing."

A gangly youngster of 15 was leaving school after classes. In response to a question, he said, yes, he knew of Cleveland Edwards.

"He's going to be a doctor," he said. "I'm going to be a veterinarian. I know I can do it. There are no barriers. The only barrier is myself."

copy right 1997
reprinted by permission

Second Chance at Children's Village



Joyce Dopkeen/The New York Times

Students in a hall at the elementary school called Dream Street in Children's Village in Dobbs Ferry.



Newsreader Channel 4 NBC

the children's **village** *in the news*

NBC Channel 4—Empowering Troubled Youth



Executive Director of The Children's Village Nan Doko: "The Children's Village is a residential treatment center — the best kept secret in the foster care system."



"There are some 50,000 children in New York City in foster care. Four percent are in residential centers. The Village campus houses 300 of New York's most neglected, abandoned and abused boys."



"So damaged that they have demonstrated over and over again that they can not live in a community or in a home."



"Unlike foster parents, nobody goes to sleep here at night. Our staff is here supervising kids around the clock."



"A project on nonviolence in collaboration with the Whitney Museum is just one of the many the Village emphasizes to give children the chance they need to survive."



HORACE
CHILDRENS VILLAGE

"I remember when I started out mostly bad at first...I wasn't getting along with anybody. But I started making friends, and got help along the way. And that's how I changed."



Lourdes: "As difficult as these cases are at The Children's Village, they have a very high success rate, and sometimes these successes come back to help. David visits CV periodically to keep in touch."



DAVID MCNEAL
CHILDRENS VILLAGE ADULT

"The Children's Village was a stepping stone for me. It was the beginning of a new life."



Nan: "The kids here have fun and learn that they are competent. At The Children's Village they gain the chance to reclaim a part of their childhood."

THE WHITE HOUSE
WASHINGTON

Neers should
have the
material - if
not send through
AOL

NICOLE -

I MET WITH LIZ
KRUEGER WHO IS A
NYC FOOD ADVOCATE.
SHE IS WITH THE
COMMUNITY FOOD RESOURCE
CENTER. SHE KNOWS
WHAT'S GOING ON IF
YOU HAVE ANY QUESTIONS,
HER NUMBER IS (212)
3440195 ext. 310



**Food Stamp
Question and Answer
August 2, 1999**

Q: Is the Administration concerned about the drop in the food stamp rolls as reported in today's Wall Street Journal? What actions are you taking to address this problem?

A: The President is committed to ensuring that those who need nutritional assistance remain eligible for food stamps and that those eligible actually receive the assistance they need. During the consideration of welfare reform, the President insisted on maintaining the federal food stamp guarantee. The Administration continues to work to ensure that people moving from welfare to work as well as all other low-income families get the nutritional assistance they need.

On July 14, the President announced a nationwide public education campaign to educate working families about food stamps. The President also unveiled policies making it easier for working families to own a car and keep by simplifying income-reporting rules so that families don't have to get tangled up in paperwork.

There are a number of factors contributing to the decline in food stamp participation. The strength of the Nation's economy and the success of welfare reform in moving people from welfare to work are significant factors. In addition, some families may not realize that they are eligible for food stamps or sometimes have a difficult time obtaining them. There have also been changes in the program that have restricted the participation of immigrants and unemployed childless adults.

Like child care, the Earned Income Tax Credit, and Medicaid, food stamps are an important support for working families and this Administration will continue to work to ensure that eligible individuals have full access to these supports.

Drop in Food-Stamp Rolls Is Mysterious and Worrisome

By SHAILLAGH MURRAY

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—As President Clinton and government and business leaders meet in Chicago this week to herald three years of welfare overhaul, researchers are puzzling over a mystery.

As the unemployed poor become the working poor, why are so many disappearing from food-stamp rolls—even though many still are eligible for the federal benefit?

A new report by Congress's General Accounting Office, scheduled for release today, provides some clues. The reasons go beyond the buoyant U.S. economy, the GAO says. It cites such factors as poor public information, overzealous caseworkers and restrictive registration procedures in some states. Among the hardest hit, the study concludes, are children.

"There has been a breakdown, a misunderstanding of what moving from welfare to work was all about," says Democratic Rep. Sander Levin of Michigan, who commissioned the GAO report. "I don't understand it frankly," Rep. Levin adds. "We fought to make sure food stamps and child care and health care were a part of welfare reform. And now kids are hungry? What sense does that make?"

Lawmakers from both parties already are moving to remedy the shortcomings. To win support in the GOP Congress, the strategy is to address food stamps in the context of helping welfare overhaul. Legislation is being drafted in both the House and the Senate to revise eligibility requirements to include more low-income families, to ease state roadblocks and to open channels between food banks and social-service officials.

The U.S. Agriculture Department, which administers the \$12 billion-a-year food-stamps program, has meantime launched a public information campaign to tell low-income families they may be eligible for the food aid even if they have moved off welfare. The agency has tracked food-stamp declines for 18 months, but can't fully explain the sharp drop.

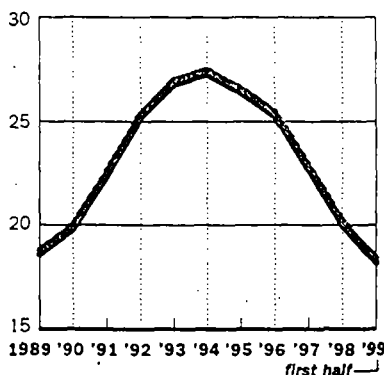
According to the new GAO report, food-stamp participation has fallen 27% during the past 3½ years to 18.5 million people. Many former welfare beneficiaries now earn too much to qualify. And food-stamp enrollment also tends to dip when the U.S. economy is strong. But as the report states, the post-1996 declines have come "faster than related economic indicators would predict."

The GAO's starkest finding is that enrollment figures for children have dropped more sharply than the number of children living in poverty. Between 1994 and 1997, 2.5 million kids fell from the rolls, and in 1997, children accounted for half of the total

An Unexplained Gap

Food Stamp Use Drops...

Enrollment, in millions



Sources: USDA; U.S. General Accounting Office; Tradeline

enrollment decline. The number of poverty-level children who receive food stamps fell by 10 percentage points to 84% in 1997 from 94% in 1994.

Before the Welfare Reform Act, the average food-stamp recipient was a young, unemployed single mother with two children, and the average benefit was \$174 a month. It has always been a struggle to get the word out to working people, who otherwise have little contact with social services, that they also can qualify for food stamps. Historically, workers tend to be eligible for smaller sums and account for just a quarter of food-stamp enrollees.

Most of those who have disappeared from food-stamp rolls belong to the vast crowd of people shifting from total welfare dependency to low-income jobs. The Agriculture Department estimates that 60% of working households that are eligible for food stamps don't sign up for them—including those that collected the benefit before welfare overhaul.

This is where the social-policy experts get worried: People are leaving the rolls, but clearly they're still in need. Catholic Charities reported that last year the demand for food assistance rose by an average of 38% in local parishes. A U.S. Conference of Mayors survey found that 1997 emergency requests for food rose by an average 14% in 21 major cities. Enrollment in the National School Lunch Program, which has similar eligibility criteria, also rose by 6% from 1994 to 1997.

A recent Urban Institute study of former welfare recipients found that a third of families have had to skip meals or cut the size of servings in the past year because of inadequate money. One reason many haven't signed up for food stamps reflects an attitude that welfare overhaul is de-

Even as Welfare Overhaul Creates More Working Poor

Participation in food stamp programs, in thousands

	1996	1997
Children	13,212	11,868
Adults with dependents	7,582	6,549
Able-bodied adults without dependents*	1,107	833
Permanent resident aliens*	1,463	1,023
Elderly	1,895	1,834

*Eligibility restricted under 1996 Welfare Reform Act

signed to instill. As researcher Sheila Zedlewski puts it: "We're seeing families who left welfare join the group of low-income families and acting very much like them—which means trying to make it on your own."

One problem, the GAO and others speculate, is people assume that because they're no longer eligible for cash assistance, they're no longer eligible for anything. This notion may also be driving down Medicaid enrollment.

"Welfare reform adds to people's ignorance as to what benefits they can draw upon," says Beth Osborne Daponte, a researcher at the University of Pittsburgh's Center for Social and Urban Research. Ms. Daponte tracks activity at the Greater Pittsburgh Community Food Bank, which alerted Democratic Pennsylvania Rep. William Coyne's office to surging demand and helped to inspire the GAO report.

In the past year, Ms. Daponte polled 200 families that were food-bank regulars to determine how much they knew about food stamps. Many seemed like ideal candidates, but turned out not to be qualified at all. Those that were eligible were more likely to apply if the benefit was more than \$50 a month. But their ignorance is what amazed Ms. Daponte: Few knew anything about food stamps, much less the eligibility requirements.

The GAO notes that in the rush to make welfare reform succeed, some states have made it unduly difficult to access continuing benefits such as food stamps. The application process is one hurdle. But federal investigations in New York City, Portland, Ore., and Milwaukee also found some welfare-to-work offices erected unreasonable barriers—for instance, requiring two visits before an application could be submitted.

"There may be some confusion around the country due to the welfare-reform laws," concedes Agriculture Secretary Dan Glickman. He adds wryly, "I think there may be some states and agencies who are not discouraging that thinking."

To Ms. Zedlewski of the Urban Institute, one way to reverse the trend is to promote food stamps as the nutrition-assistance program it was designed to be, rather than as a holdover of the shamed welfare days. That's part of what the Agriculture Department hopes to accomplish with its public-relations campaign.

"We've got so much food in this country—we've had four years now of record crop production," marvels Mr. Glickman, a former Kansas congressman who helped to write many of the current food-stamp laws. "It's just crazy that people eligible for food stamps are going hungry."

THE WALL STREET JOURNAL

MONDAY, AUGUST 2, 1999

GAO

United States General Accounting Office

Report to Congressional Requesters

July 1999

FOOD STAMP PROGRAM

Various Factors Have Led to Declining Participation

**G A O**Accountability * Integrity * Reliability

GAO/RCED-99-185



**United States
General Accounting Office
Washington, D.C. 20548**

**Resources, Community, and
Economic Development Division**

B-282728

July 2, 1999

**The Honorable William J. Coyne
Ranking Minority Member
Subcommittee on Oversight
Committee on Ways and Means
House of Representatives**

**The Honorable Sander M. Levin
Ranking Minority Member
Subcommittee on Trade
Committee on Ways and Means
House of Representatives**

Participation in the Food Stamp Program, the nation's largest food assistance program, has dropped by 27 percent during the past 3-1/2 years. The monthly average number of low-income participants declined from 25.5 million in fiscal year 1996 to about 18.5 million in the first half of fiscal year 1999. The U.S. Department of Agriculture (USDA) estimates that participation has declined at about the same rate for children, who represent about half of the food stamp rolls. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, commonly known as the Welfare Reform Act, changed welfare from an entitlement program to one designed to end needy parents' dependence on government aid by promoting employment. Accordingly, the act gave the states flexibility, for example, to require applicants to look for work as a condition of eligibility for welfare benefits. The act retained the Food Stamp Program as an entitlement program for qualifying participants, but it tightened the program's eligibility standards by establishing work requirements for able-bodied adults without dependents and by disqualifying most permanent resident aliens from participating in the program.

Because of concerns that states' efforts to reduce their welfare caseloads may have diminished eligible children's participation in the Food Stamp Program, you asked us to examine (1) the reasons for the recent drop in food stamp participation and (2) any problems that households with eligible children have experienced in obtaining food stamps. To assess these concerns, we analyzed the responses to a questionnaire we sent the 50 states and the District of Columbia; obtained data and reports on food stamp participation from the Food and Nutrition Service within USDA; and surveyed each of the Food and Nutrition Service's seven regional offices,

B-282728

which oversee state and local governments' implementation of the program.

Results in Brief

① The strong U.S. economy, tighter food stamp eligibility requirements, and welfare reform initiatives are the primary reasons for the decline in food stamp participation. According to the states, participation has dropped mainly because fewer people are eligible to receive food stamps—a result of the strong economy and changes in food stamp eligibility. However, most states also believe that welfare reform initiatives designed to reduce the welfare rolls have helped to lower food stamp participation. Children accounted for about 48 percent of the total decline in participation in fiscal year 1997, the most recent year for which detailed data are available. Moreover, children's participation in the Food Stamp Program has dropped more sharply than the number of children living in poverty, indicating a growing gap between need and assistance.

Some households, including those with eligible children, have had problems obtaining food stamps because some state and local governments have gone farther than the law permits in limiting benefits. Believing that welfare families need to become self-reliant and break their dependence on government assistance, these state and local governments have taken steps that USDA has subsequently found to be excessive. For example, New York City emphasized job searches during applicants' first visits without permitting households to apply for food stamps—a procedure that USDA determined was a violation of food stamp law and a federal court, in effect, barred by granting a preliminary injunction in an ongoing court case. Similarly, Michigan denied food stamp benefits to whole households rather than to individual members of households when these members had violated welfare requirements—a procedure that a federal court ruled was illegal. In addition, many former welfare recipients do not receive food stamp benefits because several state and local governments have not publicized differences in the eligibility requirements for welfare and food stamps. The states' actions occurred, in part, because USDA has not promulgated regulations for implementing revisions to the Food Stamp Program enacted almost 3 years ago. Furthermore, USDA's Food and Nutrition Service has not reviewed potential participants' access to food stamp benefits in 10 states since the beginning of fiscal year 1997. We offer recommendations to USDA to correct these inequities in the program.

B-282728

Background

The Food Stamp Program helps low-income individuals and families obtain a more nutritious diet by supplementing their income with food stamp benefits. USDA's Food and Nutrition Service (FNS) and the states jointly implement the Food Stamp Program. FNS promulgates regulations for implementing the Food Stamp Program, reviews states' operating plans to ensure compliance with the regulations, and pays the full cost of the food stamp benefits and about half of the states' administrative costs. The states administer the program by determining whether households meet the program's income and asset requirements, calculating monthly benefits for qualified households, and issuing benefits to participants. Almost all of the states use a single application for the Food Stamp and welfare programs to reduce administrative costs, even though the eligibility rules for these two programs are different.

In fiscal year 1998, the Food Stamp Program provided about \$16.9 billion in benefits, or an average of \$170 per participating household per month.¹ A household's monthly food stamp benefit depends on the household's income, assets, and number of qualified members. Eligibility for food stamps is based on the Department of Health and Human Services' poverty guideline: A household's gross income cannot exceed 130 percent of the guideline (about \$1,800 per month for a family of four living in the contiguous United States), and its net income cannot exceed 100 percent of the guideline (about \$1,400 per month for a family of four living in the contiguous United States). In addition, a household is limited to \$2,000 in countable resources, plus a vehicle worth no more than \$4,650. (Eligibility requirements are less stringent for households with elderly or disabled members.) The states generally require food stamp households to have their eligibility recertified every 3 to 12 months.

The Welfare Reform Act (P.L. 104-193, Aug. 22, 1996) reformed the nation's welfare program and modified aspects of the Food Stamp Program. To reform welfare, the act replaced the Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) program and gave the states responsibility for administering TANF with block grant funding. The act set a lifetime limit of 5 years on the receipt of TANF benefits and established financial penalties for states that fail to ensure that a specified minimum percentage of their welfare households work or participate in work-related activities each year. In implementing welfare reform, the states have used the act's flexibility to (1) require that applicants look for jobs before their TANF

¹A household consists of individuals who live together and customarily purchase and prepare food in common.

B-282728

applications are processed; (2) require that TANF recipients attend training sessions and search for work as a basis for continuing to receive benefits; (3) offer onetime, lump-sum payments (known as diversion payments) to potential applicants rather than enroll them in the TANF program; and (4) disqualify individuals from participation in the Food Stamp Program for TANF violations, thereby reducing the household's total food stamp benefit.²

The act also tightened food stamp eligibility requirements and eased administrative requirements. It disqualified able-bodied adults without dependents who, during the preceding 36-month period, received food stamp benefits for at least 3 months but worked less than 20 hours per week.³ Similarly, the act required that the states, by August 1997, remove from their rolls most permanent resident aliens who were previously eligible to receive food stamps.⁴ In addition, the act replaced several specific administrative requirements with more general standards that give the states more flexibility in operating their food stamp programs.

Historically, participation in the Food Stamp Program has tracked U.S. business cycles: Food stamp participation has grown as the economy has slowed and declined as the economy has expanded. However, particularly since 1996, food stamp participation has dropped faster than related economic indicators would predict. Figure 1 shows that food stamp participation, unemployment, and the number of people living in poverty rose during the recession in the late 1980s and early 1990s. Since then, food stamp participation and unemployment have dropped to their 1990 and 1989 levels, respectively, as the U.S. economy has expanded. (See table I.1 in app. I for data on food stamp participation by state.) However, the number of people living in poverty, which peaked at 39.3 million in 1993, declined more gradually and leveled off after 1995—about 4 million more people were living in poverty in 1997 than in 1989.

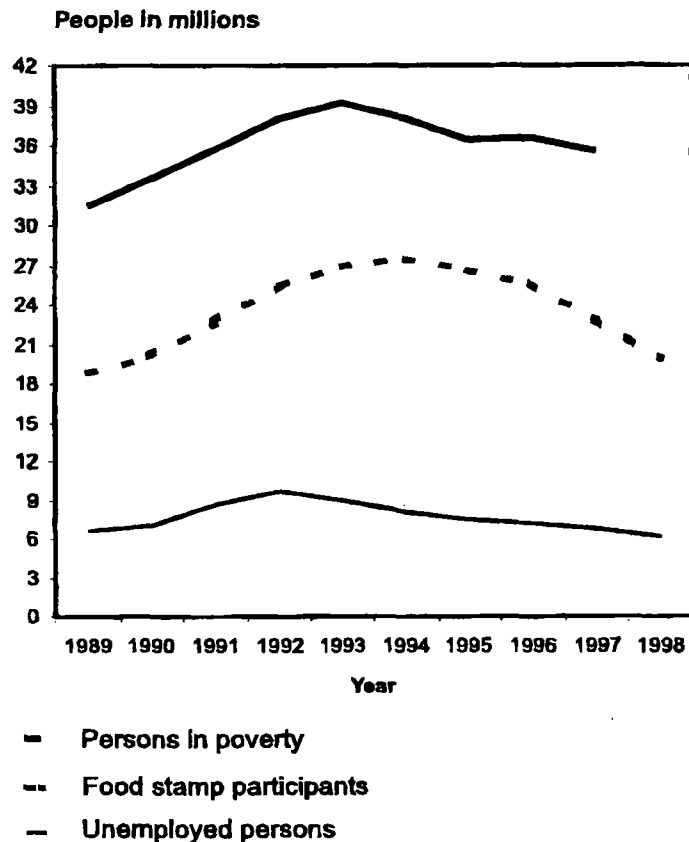
²See *Welfare Reform: States Are Restructuring Programs to Reduce Welfare Dependence* (GAO/HEHS-98-109).

³States may ask to waive the work requirement for groups of individuals who live in an area where the unemployment rate is over 10 percent or there are not enough jobs to provide employment.

⁴As of Nov. 1, 1998, the Agricultural Research, Extension, and Education Reform Act of 1998 (P.L. 105-186) restored eligibility for the Food Stamp Program to permanent resident aliens who (1) were living in the United States when the Welfare Reform Act was enacted in Aug. 1996 and were over 65 or disabled or (2) are under age 18.

B-282728

Figure 1: Number of Food Stamp Participants Compared With Numbers of Unemployed People and People Living in Poverty, 1989-98



Note: The number of people living in poverty is unavailable for 1998.

Sources: FNS; the Bureau of Labor Statistics, Department of Labor; and the Bureau of the Census, Department of Commerce.

The number of people who received food stamp benefits has declined each year since fiscal year 1994, with most of the decline occurring after fiscal year 1996. Between fiscal year 1996 and fiscal year 1998, the food stamp rolls decreased by 5.8 million participants, accounting for 75 percent of the total decrease since fiscal year 1994. Food stamp participation dropped in each state, declining by an average of 23 percent and ranging from about 32 percent in Wisconsin to 6 percent in Hawaii. (See table I.2 in app. I for the states with the greatest decline in participation.)

B-282728

Various Factors Have Caused the Decline in Food Stamp Participation

The primary factors contributing to the decline in food stamp participation have been the strong U.S. economy, provisions of the Welfare Reform Act that tightened the Food Stamp Program's eligibility requirements, and state and local government initiatives designed to reduce TANF rolls, according to the 50 respondents to our survey⁵ and FNS' most recent report.⁶ Few states cited any other factor as a major or moderate reason for the recent decline in food stamp participation. Overall, 27 states attributed the decline in food stamp participation in their state primarily to a drop in the number of people eligible to receive food stamps, while the decline in the number of eligible people who participate in the program was less important. FNS' data similarly show that the number of people eligible for food stamps declined by 18 percent from August 1996 to September 1997, reflecting the strong economy and tighter eligibility requirements. In contrast, seven states attributed the decline in food stamp participation in their state primarily to a drop in the number of eligible people who participate in the program. In recent years, the number of children living in poverty who receive food stamp benefits has dropped, indicating a growing gap between need and assistance. USDA also reported that the number of children receiving free lunches through its school lunch program increased by 6.4 percent from fiscal year 1994 through fiscal year 1997.

Forty-two states cited their improved state economy as either a major or a moderate reason for the decline in food stamp participation since 1996. (See table 1.) The strong U.S. economy has reduced the number of eligible people because more people are employed and earning more money, reducing the number of people who meet the Food Stamp Program's income eligibility standard. The strong economy has also reduced the length of time some people spend on the food stamp rolls because they can find a new job faster. Finally, the strong economy may indirectly lower the percentage of eligible people participating in the program because, as households' income levels rise and food stamp benefits fall proportionally, households may decide not to apply or seek recertification for these benefits, especially when they approach the \$10-per-month minimum level.

⁵These respondents, referred to as "states" in the remainder of this report, include 49 states and the District of Columbia. Rhode Island did not respond to our questionnaire.

⁶Characteristics of Food Stamp Households for fiscal year 1997 (Feb. 1999) cited these factors but could not determine the relative importance of each factor in causing the drop in food stamp participation.

B-282728

Table 1: Distribution of Reasons Cited by States for the Decline in Food Stamp Participation

Reason cited for the decline	Major reason	Moderate reason	Minor reason/not a reason	No basis to judge/does not apply
Improved state economy/more people with jobs	28	14	4	3
Changes in federal law that tightened food stamp requirements for able-bodied adults without dependents	7	20	21	2
Changes in federal law that tightened food stamp eligibility requirements for legal immigrants	5	15	29	1
Federal, state, or local welfare reform initiatives designed to reduce the TANF caseload that also affected food stamp participation	5	14	27	4
Fewer months spent by participants on the food stamp rolls	2	12	15	21
Perceived stigma associated with receiving food stamps	0	4	36	10
Small monthly food stamp benefits/not worth the time and effort to apply or be recertified for food stamps	0	3	39	8
Change in attitudes of potential food stamp applicants to rely primarily on themselves and their families rather than on food stamps	0	3	27	18
Automation/technology improvements that reduced fraud and waste	0	4	35	11
Net movement of eligible individuals and households out of the state	0	0	32	18
Implementation of electronic benefit transfer (EBT) card that discouraged use by participants lacking experience with electronic cards	0	0	32	18

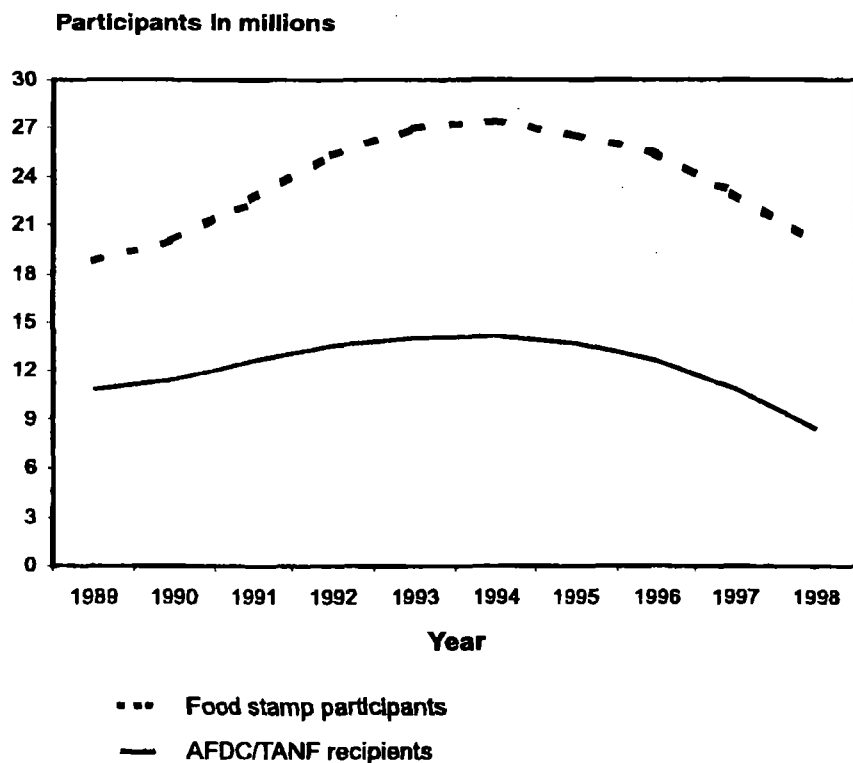
Source: State-reported survey data.

Many states believe that the tighter eligibility restrictions on able-bodied adults without dependents and on permanent resident aliens are important reasons for the drop in food stamp participation. Specifically, 27 states cited the new work requirements for able-bodied adults without dependents as a major or moderate reason for the decline in food stamp participation. Similarly, 20 states cited the new restrictions on permanent resident aliens as a major or moderate reason for the decline in food stamp participation. California, Florida, and Texas, which have large permanent resident alien populations, cited the new restrictions on permanent resident aliens as a major reason for the decline in their food stamp rolls; New York, which also has a large permanent resident alien population, cited these restrictions as a moderate reason for the decline in its food stamp rolls. During fiscal year 1997, participation in the Food Stamp Program by able-bodied adults without dependents and by permanent resident aliens fell by about 714,000 people, accounting for about 25 percent of the decline in food stamp participation. (See tables II.1 and II.2 in app. II for information about categories of participants.)

B-282728

Federal, state, or local initiatives designed to reduce the TANF caseload were cited by 19 states as a major or moderate reason and by 19 additional states as a minor reason for the decline in their food stamp rolls. As shown in figure 2, participation in both welfare and the Food Stamp Program peaked in 1994 and has dropped sharply since then. The number of welfare recipients dropped by about 43 percent, from about 14.2 million in 1994 to about 8.1 million in August 1998. About two-thirds of this decline occurred after August 1996, when the Welfare Reform Act was enacted and there were about 12.2 million welfare recipients. The number of TANF recipients leaving the Food Stamp Program during fiscal year 1997 was almost twice as great as the number of non-TANF recipients. (See tables II.3 and II.4 in app. II.)

Figure 2: Number of Food Stamp Participants Compared With Number of AFDC/TANF Recipients, 1989 Through 1998



Source: FNS and the Administration for Children and Families.

B-282728

Studies conducted by various states suggest that many former TANF recipients do not receive food stamp benefits, even though they are eligible.⁷ For example, a Wisconsin study found that former welfare recipients had a median wage of \$7.00 per hour, which would meet the food stamp income eligibility standard for a household of three; however, 51 percent of these former recipients did not receive food stamps, and 34 percent of the former recipients were unaware that they might still qualify for food stamps.⁸ The Wisconsin study also found that 32 percent of the state's former welfare recipients had no way to buy food for some period of time after they left welfare and 13 percent relied on food pantries for assistance. Similarly, a South Carolina study found that former welfare recipients had an average wage of \$6.45 per hour, which was below the food stamp income eligibility requirement for a household of three; however, 40 percent of these former recipients did not receive food stamps, and 22 percent were unaware that they might qualify for food stamps.⁹ The South Carolina study also found that 13 percent of the state's former welfare recipients had no way to buy food for some period of time after they left welfare and 17 percent received assistance from a shelter or food pantry. Studies conducted by Massachusetts and Texas found similar trends.¹⁰

The food stamp directors of four FNS regional offices told us that the implementation of TANF has been an important factor in the decline in food stamp participation in their regions. In particular, the directors cited confusion about the eligibility rules for both TANF and food stamps as a deterrent to potential applicants. According to these directors, many people do not apply for food stamps because they assume that if they are ineligible for TANF, they are also ineligible for food stamps. One director noted that one of the most common problems identified by the regional office's state operations reviews is confusion over eligibility requirements—on the part of both the eligibility workers and the food stamp applicants.

⁷Although these studies did not specifically examine food stamp participation among eligible former TANF recipients, they provide data on former recipients' earnings and receipt of food stamps.

⁸Survey of Those Leaving AFDC or W-2 January to March 1998 Preliminary Report, State of Wisconsin, Department of Workforce Development (Jan. 13, 1999).

⁹Survey of Former Family Independence Program Clients: Cases Closed during July through September 1997, South Carolina Department of Social Services, Division of Program Quality Assurance (Oct. 9, 1998).

¹⁰How Are They Doing? A Longitudinal Study of Households Leaving Welfare Under Massachusetts Reform, Massachusetts Department of Transitional Assistance (Apr. 1999) and Texas Families in Transition: The Impacts of Welfare Reform Changes in Texas, Early Findings, Texas Department of Human Services (Dec. 1998).

B-282728

The Percentage of Children Living in Poverty Who Received Food Stamp Benefits Dropped in 1997

As shown in table 2, there is a growing gap between the number of children living in poverty—an important indicator of children's need for food assistance—and the number of children receiving food stamp assistance. In particular, during fiscal year 1997, the number of children living in poverty dropped by 350,000 (or 3 percent) while the number of children participating in the Food Stamp Program dropped by 1.3 million (or 10 percent). As a result, the percentage of children living in poverty who received food stamps declined from 91.4 percent to 84.1 percent.

Table 2: Comparison of the Number of Children Receiving Food Stamps With the Number of Children Living in Poverty, 1989-97

Children in thousands

Year	Children who received food stamps ^a	Children living in poverty ^b	Percentage of children living in poverty who received food stamps
1989	9,442	12,590	75.0
1990	10,139	13,431	75.5
1991	11,960	14,341	83.4
1992	13,364	15,294	87.4
1993	14,211	15,727	90.4
1994	14,407	15,289	94.2
1995	13,879	14,665	94.6
1996	13,212	14,463	91.4
1997	11,868	14,113	84.1

^aTotals are estimates by fiscal year.

^bTotals are estimates by calendar year.

Sources: FNS for food stamp data and the U.S. Bureau of the Census, within the U.S. Department of Commerce, for poverty data.

Figure 3 shows that children's participation in the Food Stamp Program has declined at the same rate as adults' participation.¹¹ Children consistently accounted for about half of all Food Stamp Program participants from fiscal year 1989 through fiscal year 1997. From fiscal year 1994 through fiscal year 1997, the number of children receiving food stamps declined by an estimated 2.5 million. (See tables II.5 and II.6 in app. II for information on the distribution of food stamp participants by age.) Most of this drop occurred during fiscal year 1997, when an estimated 1.3 million children left the Food Stamp Program. This drop in children's

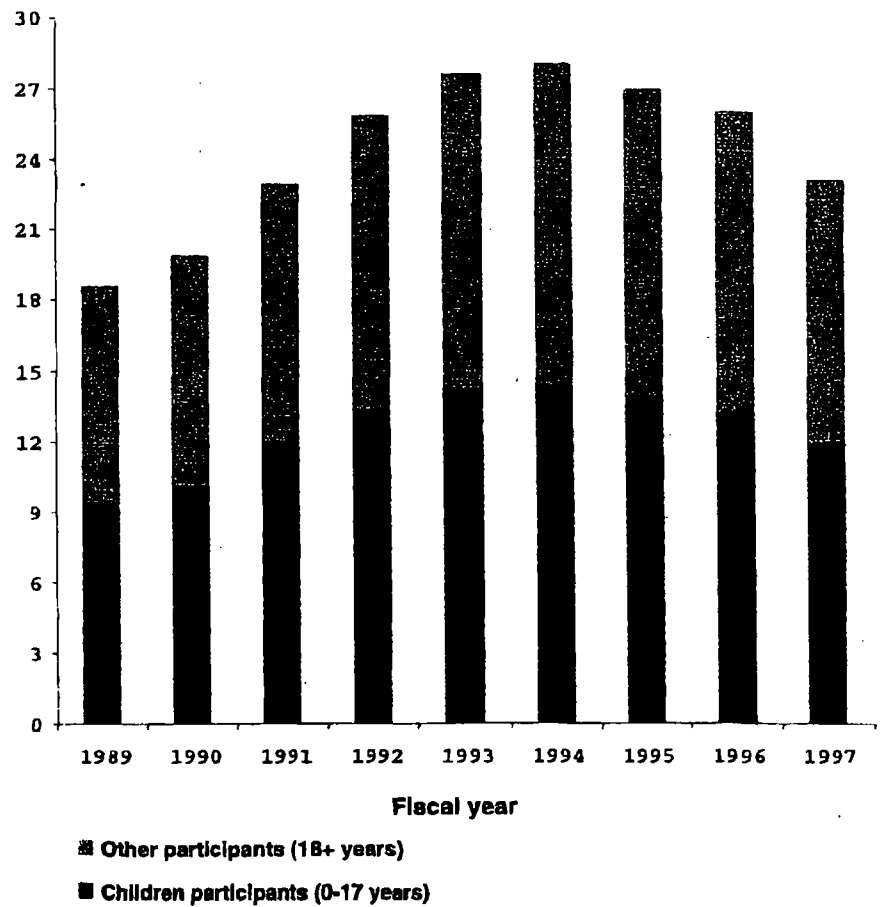
¹¹The Food Stamp Program defines children as being less than 18 years old.

B-282728

participation accounted for 48 percent of the total decline in participation during fiscal year 1997.

Figure 3: Children as a Proportion of All Participants in the Food Stamp Program, Fiscal Years 1989-97

Participants in millions



Source: FNS.

B-282728

Demand for Food Assistance Has Increased While Food Stamp Participation Has Declined

Data from USDA and several nonprofit organizations show that the demand for food assistance by low-income families has increased in recent years, indicating that the drop in food stamp participation is not solely the result of a strong U.S. economy. According to these data, the need for food assistance has not diminished; rather, needy individuals are relying on sources of assistance other than food stamps. For example, the number of children served free lunches in USDA's National School Lunch Program increased by 6 percent from fiscal year 1994 through fiscal year 1997, while the number of school-age children participating in the Food Stamp Program declined by 18 percent—about 5 million more children obtained free lunches than food stamps in fiscal year 1997.¹² (See table II.7 in app. II.) Catholic Charities reported that during 1998, the demand for emergency food assistance rose, on average, by 38 percent among 73 percent of the local parishes that responded to its survey. Similarly, from November 1997 through October 1998, requests for emergency food assistance by needy individuals increased by an average of 14 percent in 21 of the 30 major cities surveyed by the U.S. Conference of Mayors.

Some Eligible Families With Children Have Had Problems Obtaining Food Stamps

While many states have treated food stamps as an important safety net that helps the working poor move from public assistance to the workforce, several state and local governments have implemented more stringent policies that have restricted the access to food stamp benefits of an undeterminable number of eligible families with children. In particular, FNS regional offices have investigated practices in New York City; Portland, Oregon; and Milwaukee, Wisconsin, and found barriers to food stamp participation. Similarly, at least seven states have policies that improperly remove eligible households with children from the food stamp rolls as a sanction for a TANF violation. This has occurred, in part, because FNS has not promulgated regulations that implement the Welfare Reform Act's revisions to the Food Stamp Program. Without regulations, state and local governments believe they have the flexibility to implement more stringent requirements associated with the TANF program than FNS believes is appropriate. In addition, FNS regional offices have not reviewed participants' access to food stamp benefits in 10 states since the Welfare Reform Act was enacted in August 1996. These reviews have not occurred, in part, because some regional offices have not annually reviewed Food Stamp Program operations in each state within their jurisdiction, as required.

¹²To be eligible for a free lunch, a child must come from a household whose income is at or below 130 percent of the federal poverty guideline.

B-282728

Three Regional FNS Reviews Reveal Barriers to Participation

During the past year, FNS regional offices have reviewed access to the Food Stamp Program in New York, Oregon, and Wisconsin in response to complaints from advocacy groups and a Member of Congress. As described more fully in appendix III, each of these reviews has identified barriers that have made the Food Stamp Program less accessible for eligible people.

- FNS found that New York City violated federal law and regulations because caseworkers at the two job centers it reviewed (1) did not permit households to apply for food stamps during their first visit; (2) did not inform applicants about the availability of food stamps if the applicants either were denied TANF benefits or accepted a onetime, lump-sum payment (known as a diversion payment) instead of applying for TANF benefits; and (3) frequently denied food stamp benefits to applicants who did not participate in eligibility verification for food stamps and employment-related activities primarily for TANF. In addition, FNS' food stamp director for the Northeast Region told us that job center staff were informing applicants that expedited food stamps were no longer available, refusing to accept food stamp applications because it was "too late" in the day, and encouraging applicants to withdraw their food stamp applications. While New York City officials initially disagreed with FNS' report, citing the agency's reliance on regulations that the officials believed were inconsistent with the Welfare Reform Act, New York City implemented New York State's corrective action plan that addressed FNS' concerns in April 1999.

In addition, in January 1999, a federal district court granted a preliminary injunction, in effect barring New York City from using certain procedures. The court found that the plaintiffs and other applicants for food stamp benefits, Medicaid, and cash assistance would suffer irreparable harm if relief were not provided through a preliminary injunction. As a result, the court directed New York City, among other things, to (1) allow all persons applying for food stamps, Medicaid, and cash assistance to apply for such benefits on the first day that they visit a job center and (2) process all applications for expedited food stamps at job centers within the time frames required by law.

- FNS found that certain area offices in Portland, Oregon, had procedures that created possible barriers to participation. Food stamp applicants who arrived after 8:30 a.m. were told to return to the office on another day to file their applications. Furthermore, the offices' "first-come, first-served" procedures created situations where clients who arrived before 8:30 a.m.

B-282728

had waited all day without being seen by an eligibility worker, only to be told at the close of business to return on another day and start over again. Although Oregon officials questioned some of FNS' findings and recommendations, they submitted a corrective action plan that addressed FNS' concerns.

FNS officials noted that procedures that require food stamp applicants to return for a second day create barriers to participation, especially for the working poor, because most food stamp offices are open only during business hours.¹³ Furthermore, many participants are required to return to the food stamp office four times a year to be recertified for food stamps. A 3-month recertification period has become more common because the states are seeking to reduce errors, such as overpayments resulting from changes in a household's income or composition. Households with earned income typically are recertified more often than households on fixed incomes because their incomes are more likely to change.

- FNS found that several practices violated federal regulations in its review of two welfare centers in Milwaukee, Wisconsin. However, FNS believed that these centers were not intentionally trying to divert potential applicants from food stamp benefits. For example, staff at the centers did not (1) inform applicants of their right to file a food stamp application on the day of their first contact with the office and (2) provide food stamp applications upon request.¹⁴ In addition, FNS found that the centers hindered participation because posters that outline food stamp applicants' rights were not displayed and clients' work schedules were not taken into account when recertification interviews were scheduled. Although Wisconsin officials questioned some of FNS' findings, they submitted a corrective action plan that FNS currently is reviewing.

Some States Have Disqualified Whole Households From the Food Stamp Program for TANF Violations by Individual Members

Some states have used what is called the comparable disqualification provision of the Welfare Reform Act to disqualify an entire household from participation in the Food Stamp Program because one member has violated a TANF requirement. The comparable disqualification provision gives the states the option to (1) disqualify a food stamp participant who has been disqualified under another means-tested program and (2) apply

¹³Five states cited the inconvenience of being recertified during business hours as a moderate reason why eligible households with children do not participate in the Food Stamp Program, while 20 states characterized it as a minor reason.

¹⁴Failing to inform applicants of their right to file a food stamp application on the day of their first contact with the office also violates the Food Stamp Act.

B-282728

the disqualification for benefits under the other means-tested program to food stamp benefits. As a result, the states can disqualify a food stamp participant for not complying with TANF's work requirements, even if the participant is exempt from work requirements under the Food Stamp Program's rules.

mod reg

Initially, FNS' guidance allowed the states to decide whether to disqualify the entire household or just the noncomplying individual. However, FNS reversed its position in November 1997 and directed the states to disqualify only the noncomplying individual. Despite the revision in FNS' guidance, 7 states said they disqualify an entire household for food stamp benefits because of a member's TANF violations, 13 states said they determine whom to sanction for a TANF violation on a case-by-case basis, and 2 states said they had previously suspended the food stamp benefits of an entire household for a member's TANF violations. In March 1998, a federal district court (in an unreported decision) directed Michigan to stop disqualifying an entire household for food stamps because of a member's TANF violation (not cooperating in obtaining child support). An FNS regional official told us that FNS cannot force states to change their policies until FNS publishes regulations for implementing the comparable disqualification provision.

FNS Has Not Promulgated Regulations for Implementing the Welfare Reform Act's Revisions

The Welfare Reform Act revised the Food Stamp Program's administrative requirements by replacing several specific requirements with more general performance standards. Specifically, the act allows each state to establish procedures for operating its food stamp offices that the state determines best serve its households provided, in part, that the state (1) provides timely, accurate, and fair service to applicants for, and participants in, the Food Stamp Program and (2) permits households to apply to participate in the program on the same day that they first contact a food stamp office in person during office hours. It is unclear whether, as a result of this revision, FNS will continue to require, for example, that the states prominently display signs in all food stamp certification offices explaining eligibility standards and inform each applicant for assistance of the right to apply for food stamps on the day of initial contact.

Although the Welfare Reform Act was enacted almost 3 years ago, FNS has not promulgated regulations implementing the act's food stamp revisions because of delays in USDA's clearance process. FNS could not provide a reason for the delay in promulgating regulations. In May 1999, FNS published the first of several Notices of Proposed Rulemaking in the

B-282728

Federal Register (this notice addressed an unrelated revision). FNS plans to promulgate final rules for all of the Welfare Reform Act's revisions by December 2000. FNS has also provided guidance to the states on specific issues, such as diversion payments and comparable disqualifications, through policy memorandums and questions and answers posted on its Web site. However, unlike federal regulations, this guidance is not binding.

Because FNS has not promulgated implementing regulations, some state and local governments have implemented more stringent requirements associated with the TANF program than FNS believes is appropriate. *Is this true?* The Midwest regional office has told its states that they are allowed to interpret the Welfare Reform Act's revisions for themselves until regulations are published. New York City officials have petitioned USDA to promulgate new regulations repealing food stamp regulations that, in New York City's opinion, are inconsistent with the Welfare Reform Act and to clarify the ability of states and localities to implement the act's goals in their local food stamp offices.

FNS Has Not Examined Program Access Issues in Many States

FNS' regulations require that FNS regional offices annually review the operations of each state in their jurisdiction to ensure that the states are complying with federal regulations implementing the Food Stamp Program. These reviews have previously identified obstacles to gaining access to benefits and have directed the states to correct their procedures. For example, the regional offices have found untimely application processing, a lack of bilingual staff, confusion over rules and regulations affecting eligibility, and failure to inform applicants who have been denied TANF benefits about the availability of food stamps. Each of these problems, if uncorrected, creates a barrier to participation for eligible households. However, we found that only three of the seven regional offices regularly conduct an annual review of each state in their jurisdiction. The other offices said they did not have sufficient staff resources to annually examine each state's operations. Even when the regional offices review the states' operations, they often do not evaluate the access of potential participants to food stamp benefits. As of June 21, 1999, FNS regional offices had not examined program access issues in 10 states since the beginning of fiscal year 1997. (See app. IV.)

Conclusions

While the strong U.S. economy and legislation revising eligibility requirements for the Food Stamp Program are important reasons why participation in the program is declining, several state and local

B-282728

governments have implemented stringent policies designed to reduce their TANF caseloads that have restricted low-income families' access to food stamp benefits. Because FNS found that some of these policies violate food stamp law, it has worked with the states to make appropriate changes. FNS also determined that some states' implementation of the Welfare Reform Act's comparable disqualification provision is not supported by law. However, FNS has not ordered the states to change their policies, and FNS has not promulgated regulations implementing the Welfare Reform Act's revisions to the Food Stamp Act. As long as the policies remain in effect, some qualifying households, including those with children, may not be receiving food stamp benefits to which they are legally entitled. This is important because the number of children living in poverty who receive food stamps has declined in recent years, indicating a growing gap between need and assistance. In addition, states' studies of TANF reform indicate that many former TANF recipients may not receive food stamp benefits because they are unaware that they may qualify for food stamps. Further exacerbating this problem, FNS regional offices inconsistently enforce food stamp requirements and some do not annually review each state's operations, as required. Finally, when FNS performs such reviews, it does not always examine people's access to food stamp benefits.

Recommendations

To ensure that eligible people receive food stamp benefits, we recommend that the Secretary of Agriculture direct the Administrator, Food and Nutrition Service, to take the following actions:

- ① • Promulgate regulations implementing the Welfare Reform Act's revisions to the Food Stamp Act. These regulations should, at a minimum, require that the states (1) inform each applicant for assistance of the right to apply for food stamps during the first meeting, regardless of whether the applicant applies for other assistance, and (2) sanction the food stamp benefits only of the individual who does not comply with requirements of the Temporary Assistance for Needy Families program.
- ② • Publicize eligibility requirements for the Food Stamp Program and distinguish them from the eligibility requirements for the Temporary Assistance for Needy Families program.
- ③ • Give higher priority to aggressively targeting issues related to participants' access to food stamp benefits in reviewing states' food stamp operations.

Agency Comments and Our Evaluation

We provided the U.S. Department of Agriculture with a draft of this report for review and comment. We met with Agriculture officials, including the

B-282728

Associate Deputy Administrator for the Food Stamp Program within the Food and Nutrition Service. The Department agreed with the thrust of the report and with our recommendations for promulgating regulations implementing the Welfare Reform Act's revisions and publicizing eligibility requirements for the Food Stamp Program. In response to our proposed recommendation that Agriculture develop a strategy for ensuring an annual review of each state's food stamp operations, the Department said that on-site reviews would be difficult to conduct at each state annually, given resource constraints, but agreed on the importance of targeting participant access issues. We revised our proposed recommendation, eliminating the reference to conducting annual reviews of each state's operations while continuing to emphasize the importance of targeting issues associated with participants' access to food stamp benefits. In addition, the Department provided comments to improve the report's technical accuracy, which we incorporated as appropriate.

We also made portions of the draft report available to the states of New York, Oregon, and Wisconsin. New York officials pointed out that the decline in food stamp participation in their state either has mirrored or is below the national trend for various periods between 1994 and 1999. While we agree with New York State's point, we did not modify the report because it does not discuss individual states' food stamp participation rates. (See app. V for New York's written comments and our responses.) In addition, Oregon and Wisconsin provided comments to improve the report's technical accuracy, which we incorporated as appropriate. (See app. VI for Wisconsin's written comments.)

Scope and Methodology

To assess the reasons individual states cite for the recent drop in food stamp participation, we surveyed the food stamp directors of the 50 states and the District of Columbia about their (1) perceptions as to why, for example, their state's food stamp rolls have declined and eligible households with children may decide not to apply for food stamps and (2) state's food stamp participation data, to the extent that these data were readily available. We received responses to our questionnaire from 49 states and the District of Columbia (Rhode Island did not return the questionnaire). However, most of the states could not readily provide data on food stamp participation by categories of participants, recertifications, applications, or sanctions. We also obtained FNS' official participation data (known as "keydata") and FNS' quality control data. The keydata reflect the monthly number of food stamp participants in each state. The quality control data, which are derived from a national probability sample of

B-282728

participating food stamp households, provide participation information for children, the elderly, and other categories of food stamp participants. Fiscal year 1997 data are the most current quality control data available. We used both data sources to provide aggregate level trends from fiscal year 1989 through fiscal year 1998 and children's participation trends from fiscal year 1989 through fiscal year 1997. We interviewed cognizant FNS officials and representatives of Mathematica Policy Research, Inc., which for several years has had a contract with FNS to analyze food stamp participation trends. In addition, we examined several states' studies of former TANF recipients that provided data on former recipients' earnings and receipt of food stamps.

To identify the problems eligible households with children may be having in obtaining food stamps, we surveyed states about their policies and procedures for implementing the Food Stamp Program, including their procedures for sanctioning TANF violations. We also examined program access reviews that FNS regional offices have conducted in New York, Oregon, and Wisconsin. Each of these reviews identified barriers that reduced eligible people's access to the Food Stamp Program. We interviewed cognizant officials at FNS headquarters about its plans to promulgate regulations and at each of its seven regional offices about their annual reviews of states' operations. We performed our work from August 1998 through June 1999 in accordance with generally accepted government auditing standards. We did not independently verify the accuracy of participation data from FNS' quality control sample. The quality control sample data are the best data available for examining participation by categories of food stamp participants.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days after the date of this letter. At that time, we will send copies of the report to the congressional committees and subcommittees responsible for the Food Stamp Program; the Honorable Dan Glickman, Secretary of Agriculture; the Honorable Jacob Lew, Director, Office of Management and Budget; and other interested parties. We will also make copies available upon request.

B-282728

Please contact me at (202) 512-5138 if you or your staff have any questions about this report. Key contributors to this report are listed in appendix VII.

A handwritten signature in black ink, appearing to read "Lawrence J. Dyckman". The signature is fluid and cursive, with the first name "Lawrence" written in a larger, more prominent script than the last name "Dyckman".

Lawrence J. Dyckman
Director, Food and Agriculture Issues

Contents

Letter	1
--------	---

Appendix I	26
Food Stamp	
Participation Trends	

Appendix II	29
Changes in	
Participation Among	
Selected Food Stamp	
Populations	

Appendix III	35
FNS' Program Access	35
Reviews Reveal	36
Barriers to	37
Participation	

Appendix IV	38
States Reviewed by	
FNS Concerning	
Participants' Access	
to Food Stamp	
Benefits, Fiscal Years	
1997-99	

Appendix V	40
Comments From New	
York State	

Contents

Appendix VI		44
Comments From		
Wisconsin		
Appendix VII		46
GAO Contacts and		
Staff		
Acknowledgments		
Tables		
Table 1: Distribution of Reasons Cited by States for the Decline in Food Stamp Participation		7
Table 2: Comparison of the Number of Children Receiving Food Stamps With the Number of Children Living in Poverty, 1989-97		10
Table I.1: Average Monthly Number of Food Stamp Participants, by State, Fiscal Years 1990-98		26
Table I.2: States With the Greatest Percentage Decline in Food Stamp Participation Since the Enactment of the Welfare Reform Act, Fiscal Years 1996-98		28
Table II.1: Selected Demographic Characteristics of Food Stamp Participants, Fiscal Years 1996-97		29
Table II.2: Permanent Resident Aliens Who Received Food Stamps, Fiscal Years 1994-97		30
Table II.3: Change in AFDC/TANF and Food Stamp Participation Since the Enactment of the Welfare Reform Act, August 1996 to August 1998		30
Table II.4: Food Stamp Participation by TANF Participants and Non-TANF Participants, Fiscal Years 1996-97		32
Table II.5: Age Distribution of Food Stamp Participants, Fiscal Years 1989-97		32
Table II.6: Number of Children Who Received Food Stamps, by State, Fiscal Years 1995-97		33
Table II.7: Number of School-Age Children Receiving Food Stamps Compared With the Number of Children Receiving Free Lunches in School, Fiscal Years 1994-97		34
Figures		
Figure 1: Number of Food Stamp Participants Compared With Numbers of Unemployed People and People Living in Poverty, 1989-98		5

Contents

Figure 2: Number of Food Stamp Participants Compared With Number of AFDC/TANF Recipients, 1989 through 1998	8
Figure 3: Children as a Proportion of All Participants in the Food Stamp Program, Fiscal Years 1989-97	11

Abbreviations

AFDC	Aid to Families with Dependent Children
FNS	Food and Nutrition Service
GAO	General Accounting Office
TANF	Temporary Assistance for Needy Families
USDA	U.S. Department of Agriculture

Appendix I

Food Stamp Participation Trends

The data in this appendix are the actual number of participants reported monthly by each state to the U.S. Department of Agriculture's (USDA) National Data Bank.

Table I.1: Average Monthly Number of Food Stamp Participants, by State, Fiscal Years 1990-98

Participants in thousands

State	Fiscal year 1990	Fiscal year 1992	Fiscal year 1994	Fiscal year 1996	Fiscal year 1998	Change in number of participants
Alabama	453.5	549.7	547.7	509.2	426.8	-82.4
Alaska	25.1	37.7	45.9	46.2	42.5	-3.7
Arizona	317.1	457.1	511.7	427.5	295.7	-131.8
Arkansas	234.9	276.8	282.5	273.9	255.7	-18.2
California	1,954.8	2,557.9	3,154.6	3,143.4	2,259.1	-884.3
Colorado	221.3	259.7	268.3	243.7	191.0	-52.7
Connecticut	133.3	202.3	222.6	222.8	195.9	-26.9
Delaware	33.3	50.6	59.2	57.8	45.6	-12.2
Florida	781.5	1,403.9	1,474.4	1,371.4	990.6	-380.8
Georgia	535.6	754.1	830.4	792.5	631.7	-160.8
Hawaii	77.0	94.3	114.6	130.3	122.0	-8.3
Idaho	58.6	71.9	81.5	79.9	62.4	-17.5
Illinois	1,013.1	1,156.4	1,188.8	1,105.2	922.9	-182.3
Indiana	310.9	447.7	517.9	389.5	313.1	-76.4
Iowa	170.5	192.3	195.7	177.3	141.1	-36.2
Kansas	142.3	174.5	191.7	171.8	119.2	-52.6
Kentucky	458.2	528.8	522.3	485.6	412.0	-73.6
Louisiana	727.3	779.3	756.4	670.0	536.8	-133.2
Maine	93.8	132.5	135.8	130.9	115.1	-15.8
Maryland	254.7	342.2	390.2	374.5	322.7	-51.8
Massachusetts	347.3	428.8	441.8	373.6	293.0	-80.6
Michigan	916.6	994.2	1,030.7	935.4	771.6	-163.8
Minnesota	262.9	308.9	313.5	294.8	219.7	-75.1
Mississippi	499.2	535.9	510.5	457.1	329.1	-128.0
Missouri	431.4	549.5	593.1	553.9	411.0	-142.9
Montana	56.7	66.3	71.4	70.8	62.3	-8.5
Nebraska	94.5	107.3	110.8	101.6	94.9	-6.7
Nevada	49.8	79.7	96.7	96.7	71.5	-25.2
New Hampshire	30.6	57.7	61.6	52.8	39.6	-13.2
New Jersey	381.6	494.1	545.3	540.5	424.7	-115.8
New Mexico	157.3	221.3	244.3	235.1	174.7	-60.4

(continued)

**Appendix I
Food Stamp Participation Trends**

Participants in thousands

State	Fiscal year 1990	Fiscal year 1992	Fiscal year 1994	Fiscal year 1996	Fiscal year 1998	Change in number of participants
New York	1,548.3	1,885.1	2,153.6	2,098.6	1,627.2	-471.4
North Carolina	419.0	596.7	629.9	631.1	527.8	-103.3
North Dakota	39.1	45.9	45.4	39.8	33.8	-6.0
Ohio	1,089.5	1,250.6	1,245.2	1,045.1	733.6	-311.5
Oklahoma	266.6	346.0	376.0	353.8	287.8	-66.0
Oregon	216.4	264.9	286.3	287.6	238.4	-49.2
Pennsylvania	952.0	1,137.4	1,208.3	1,123.5	906.7	-216.8
Rhode Island	64.1	87.4	93.8	90.9	72.8	-18.1
South Carolina	299.2	368.8	385.4	358.3	333.0	-25.3
South Dakota	50.4	54.7	53.3	48.8	45.2	-3.6
Tennessee	526.6	701.6	734.6	637.8	538.5	-99.3
Texas	1,879.9	2,454.0	2,725.8	2,372.0	1,636.2	-735.8
Utah	99.5	123.2	127.8	110.0	91.8	-18.2
Vermont	38.4	53.5	64.6	56.5	45.7	-10.8
Virginia	345.9	495.5	547.1	537.5	396.6	-140.9
Washington	340.3	431.5	467.6	476.4	362.2	-114.2
West Virginia	261.8	309.6	321.4	299.7	269.1	-30.6
Wisconsin	285.8	334.0	329.8	283.3	192.9	-90.4
Wyoming	28.3	33.4	34.0	33.0	25.5	-7.5
District of Columbia	62.1	82.3	90.7	92.8	85.4	-7.4
Guam	11.7	19.8	15.2	17.6	25.2	7.6
Virgin Islands	17.6	16.5	20.0	30.7	17.3	-13.4
Total	20,066.8	25,405.6	27,467.8	25,540.3	19,786.7	-5,753.6

Note: Puerto Rico is excluded because it receives block grant funding. Columns may not add because of rounding.

Source: Food and Nutrition Service (FNS), USDA.

Appendix I **Food Stamp Participation Trends**

Table I.2: States With the Greatest Percentage Decline in Food Stamp Participation Since the Enactment of the Welfare Reform Act, Fiscal Years 1996-98

Participants in thousands

State	Fiscal year 1996	Fiscal year 1997	Fiscal year 1998	Percent change (FY 1996-98)
Wisconsin	283.3	232.1	192.9	-31.9
Texas	2,372.0	2,033.8	1,636.2	-31.0
Arizona	427.5	363.8	295.7	-30.8
Kansas	171.8	148.7	119.2	-30.6
Ohio	1,045.1	873.6	733.6	-29.8
California	3,143.4	2,814.8	2,259.1	-28.1
Mississippi	457.1	399.1	329.1	-28.0
Florida	1,371.4	1,191.7	990.6	-27.8
Virginia	537.5	476.1	396.6	-26.2
Nevada	96.7	82.4	71.5	-26.1

Source: FNS, USDA.

Appendix II

Changes in Participation Among Selected Food Stamp Populations

Many of the data provided in this appendix are derived from reports entitled Characteristics of Food Stamp Households, prepared by Mathematica Policy Research, Inc., for FNS. These reports are based on FNS' Integrated Quality Control System, which uses a national probability sample of participating food stamp households, denials of applications, and terminations to monitor the accuracy of the Food Stamp Program's operations.

Table II.1: Selected Demographic Characteristics of Food Stamp Participants, Fiscal Years 1996-97

Participants in thousands				
Characteristic of participants	Fiscal year 1996	Fiscal year 1997	Change in number of participants	Percent change
Children ^a	13,212	11,868	-1,344	-10.2
Preschool age	4,815	4,046	-769	-16.0
School age	8,399	7,825	-574	-6.8
Adults with dependents	7,582	6,549	-1,033	-13.6
Able-bodied adults without dependents	1,107	833	-274	-24.8
Permanent resident aliens	1,463	1,023	-440	-30.1
Elderly ^b	1,895	1,834	-61	-3.2
Disabled	^c	2,278	^c	^c

^aChildren are defined as individuals who are 0-17 years old. Preschool-age children are under the age of 5 and school-age children are 5-17 years old.

^bElderly people are defined as individuals who are 60 years old and over.

^cData unavailable for fiscal year 1996.

Source: FNS, Characteristics of Food Stamp Households, for fiscal years 1996-97.

Appendix II
Changes in Participation Among Selected
Food Stamp Populations

Table II.2: Permanent Resident Aliens Who Received Food Stamps, Fiscal Years 1994-97

Participants in thousands

State	Fiscal year 1994		Fiscal year 1995		Fiscal year 1996		Fiscal year 1997		Percent change (FY 1996-97)
	Total	Percent ^a	Total	Percent ^a	Total	Percent ^a	Total	Percent ^a	
California	463	13.2	431	13.2	445	13.5	302	10.4	-32.1
Florida	132	8.8	127	8.9	157	10.9	103	8.4	-34.4
New York	245	10.8	273	12.8	265	12.4	196	10.0	-26.0
Texas	297	10.9	247	9.5	246	10.0	165	7.8	-32.9
All other	316	1.8	373	2.1	350	2.1	256	1.7	-26.9
Total	1,453	5.2	1,451	5.4	1,463	5.6	1,023	4.4	-30.1

^aPercentage of each state's total food stamp participants.

Source: FNS, Characteristics of Food Stamp Households, for fiscal year 1997.

Table II.3: Change in AFDC/TANF and Food Stamp Participation Since the Enactment of the Welfare Reform Act, August 1996 to August 1998

Participants in thousands

State	AFDC/TANF participants ^a			Food stamp participants		
	August 1996	August 1998	Percent change	August 1996	August 1998	Percent change
Alabama	100.7	53.1	-47.3	505.1	415.6	-17.7
Alaska	35.5	28.6	-19.4	47.8	42.9	-10.3
Arizona	169.4	101.0	-40.4	424.9	276.0	-35.0
Arkansas	56.3	31.7	-43.7	274.6	253.3	-7.8
California	2,581.9	1,952.2	-24.4	3,076.1	2,131.2	-30.7
Colorado	95.8	49.0	-48.9	237.8	182.3	-23.3
Connecticut	159.2	122.1	-23.3	224.0	188.3	-15.9
Delaware	23.7	15.0	-36.7	59.4	43.3	-27.1
Florida	533.8	247.8	-53.6	1,356.1	952.1	-29.8
Georgia	330.3	175.8	-46.8	776.8	606.2	-22.0
Hawaii	66.5	46.4	-30.2	130.4	121.4	-6.9
Idaho	21.8	3.5	-83.9	76.2	56.3	-26.1
Illinois	642.6	460.7	-28.3	1,091.3	877.7	-19.6
Indiana	142.6	116.5	-18.3	372.6	302.0	-18.9
Iowa	86.1	65.2	-24.3	174.6	134.4	-23.0
Kansas	63.8	34.1	-46.6	167.5	116.3	-30.6
Kentucky	172.2	115.8	-32.8	472.6	398.9	-15.6
Louisiana	228.1	122.6	-46.3	644.1	526.3	-18.3
Maine	53.9	38.4	-28.8	129.6	110.2	-15.0

(continued)

Appendix II
Changes in Participation Among Selected
Food Stamp Populations

Participants in thousands

State	AFDC/TANF participants ^a			Food stamp participants		
	August 1996	August 1998	Percent change	August 1996	August 1998	Percent change
Maryland	194.1	111.6	-42.5	364.6	307.4	-15.7
Massachusetts	226.0	165.6	-26.7	367.8	275.4	-25.1
Michigan	502.4	315.9	-37.1	906.3	743.6	-18.0
Minnesota	169.7	145.1	-14.5	287.5	217.9	-24.2
Mississippi	123.8	47.7	-61.5	447.7	312.4	-30.2
Missouri	222.8	141.3	-36.6	539.7	403.1	-25.3
Montana	29.1	20.1	-30.9	69.2	60.8	-12.1
Nebraska	38.6	35.9	-7.0	101.0	96.1	-4.9
Nevada	34.3	24.7	-28.0	93.8	66.2	-29.4
New Hampshire	22.9	14.5	-36.7	50.2	35.3	-29.7
New Jersey	275.6	186.1	-32.5	530.3	403.0	-24.0
New Mexico	99.7	77.5	-22.3	231.4	178.0	-23.1
New York	1,144.0	872.1	-23.8	2,060.5	1,604.8	-22.1
North Carolina	267.3	166.1	-37.9	605.2	506.4	-16.3
North Dakota	13.1	8.5	-35.1	38.4	33.7	-12.2
Ohio	549.3	323.3	-41.1	988.0	684.9	-30.7
Oklahoma	96.2	59.0	-38.7	337.8	283.7	-16.0
Oregon	78.4	44.6	-43.1	279.8	223.4	-20.2
Pennsylvania	531.1	352.3	-33.7	1,088.3	877.1	-19.4
Rhode Island	56.6	54.2	-4.2	93.5	55.9	-40.2
South Carolina	114.3	54.7	-52.1	359.8	324.3	-9.9
South Dakota	15.9	9.4	-40.9	49.3	45.1	-8.5
Tennessee	254.8	148.5	-41.7	627.5	527.3	-16.0
Texas	649.0	349.6	-46.1	2,260.1	1,510.2	-33.2
Utah	39.1	28.0	-28.4	107.2	89.0	-17.0
Vermont	24.3	19.2	-21.0	54.1	28.1	-48.1
Virginia	152.8	95.6	-37.4	525.9	374.5	-28.8
Washington	268.9	194.9	-27.5	487.3	339.0	-30.4
West Virginia	89.0	37.8	-57.5	293.1	257.2	-12.2
Wisconsin	148.9	35.5	-76.2	262.0	174.0	-33.6
Wyoming	11.4	1.9	-83.3	31.6	23.9	-24.4
District of Columbia	69.3	54.4	-21.5	90.1	81.7	-9.3
Guam	8.3	7.0	-15.7	18.2	17.2	-5.5
Puerto Rico	151.0	119.2	-21.1	^b	^b	^b
Virgin Islands	4.9	4.4	-10.2	23.1	16.5	-28.6
Total	12,241.5	8,105.8	-33.8	24,911.8	18,911.7	-24.1

(Table notes on next page)

Appendix II
Changes in Participation Among Selected
Food Stamp Populations

Note: Columns may not add because of rounding.

*The 1996 Welfare Reform Act replaced the Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) block grant.

^bData unavailable because Puerto Rico receives block grant funding.

Source: FNS and the Administration for Children and Families, Department of Health and Human Services.

Table II.4: Food Stamp Participation by TANF Participants and Non-TANF Participants, Fiscal Years 1996-97

Participants in thousands			
Characteristic of participants	Fiscal year 1996	Fiscal year 1997	Difference
TANF recipients	12,459	10,649	-1,810
Non-TANF recipients	13,466	12,468	-998

Source: FNS, Characteristics of Food Stamp Households, for fiscal years 1996-97.

Table II.5: Age Distribution of Food Stamp Participants, Fiscal Years 1989-97

Participants in thousands			
Fiscal year	Age distribution		
	0 to 17 years	18 to 59 years	60 years and older
1989	9,442	7,621	1,561
1990	10,139	8,244	1,574
1991	11,960	9,396	1,623
1992	13,364	10,698	1,704
1993	14,211	11,498	1,870
1994	14,407	11,615	1,955
1995	13,879	11,117	1,923
1996	13,212	10,782	1,895
1997	11,868	9,384	1,834

Note: Children are defined as individuals who are 0-17 years old.

Source: FNS, Characteristics of Food Stamp Households, for fiscal year 1997.

Appendix II
Changes in Participation Among Selected
Food Stamp Populations

Table II.6: Number of Children Who
Received Food Stamps, by State,
Fiscal Years 1995-97

Participants in thousands				
State	Fiscal year 1995	Fiscal year 1996	Fiscal year 1997	Percent change (FY 1995-97)
Alabama	281	273	240	-14.6
Alaska	24	27	25	4.2
Arizona	284	233	219	-22.9
Arkansas	133	136	125	-6.0
California	2,035	2,042	1,808	-11.2
Colorado	126	125	112	-11.1
Connecticut	128	107	107	-16.4
Delaware	28	30	28	0.0
Florida	720	715	600	-16.7
Georgia	421	422	368	-12.6
Hawaii	61	53	62	1.6
Idaho	41	40	36	-12.2
Illinois	581	545	528	-9.1
Indiana	219	188	161	-26.5
Iowa	93	84	79	-15.1
Kansas	99	88	76	-23.2
Kentucky	224	212	203	-9.4
Louisiana	385	362	298	-22.6
Maine	53	51	51	-3.8
Maryland	206	200	186	-9.7
Massachusetts	232	190	181	-22.0
Michigan	490	460	426	-13.1
Minnesota	163	152	121	-25.8
Mississippi	250	220	188	-24.8
Missouri	292	276	241	-17.5
Montana	34	37	32	-5.9
Nebraska	53	52	51	-3.8
Nevada	56	52	44	-21.4
New Hampshire	28	27	22	-21.4
New Jersey	284	282	250	-12.0
New Mexico	126	125	110	-12.7
New York	951	964	892	-6.2
North Carolina	300	304	276	-8.0
North Dakota	19	17	19	0.0
Ohio	575	488	404	-29.7
Oklahoma	187	164	157	-16.0

(continued)

Appendix II
Changes in Participation Among Selected
Food Stamp Populations

Participants in thousands

State	Fiscal year 1995	Fiscal year 1996	Fiscal year 1997	Percent change (FY 1995-97)
Oregon	139	131	112	-19.4
Pennsylvania	536	513	470	-12.3
Rhode Island	50	48	45	-10.0
South Carolina	199	191	182	-8.5
South Dakota	28	24	25	-10.7
Tennessee	315	284	272	-13.7
Texas	1,406	1,320	1,192	-15.2
Utah	65	58	55	-15.4
Vermont	30	27	22	-26.7
Virginia	276	261	232	-15.9
Washington	249	247	206	-17.3
West Virginia	124	124	114	-8.1
Wisconsin	186	159	130	-30.1
Wyoming	19	17	15	-21.1
District of Columbia	52	48	50	-3.8
Guam	10	10	12	20.0
Virgin Islands	15	15	12	-20.0
Total	13,882	13,214	11,871	-14.5

Note: Columns may not add because of rounding.

Source: FNS, Characteristics of Food Stamp Households, for fiscal years 1995-97.

**Table II.7: Number of School-Age
 Children Receiving Food Stamps
 Compared With the Number of
 Children Receiving Free Lunches in
 School, Fiscal Years 1994-97**

Children in thousands

Type of assistance	Fiscal year 1994	Fiscal year 1995	Fiscal year 1996	Fiscal year 1997	Percent change
School-age children receiving food stamps	9,558	8,784	8,399	7,825	-18.1
Children receiving free lunches at school	12,191	12,492	12,657	12,973	6.4

Note: School-age children are defined as 5-17 years old.

Source: FNS, Office of Analysis and Evaluation, and Characteristics of Food Stamp Households, for fiscal years 1994-97.

Appendix III

FNS' Program Access Reviews Reveal Barriers to Participation

During the past year, FNS regional offices have reviewed access to the Food Stamp Program in New York, Oregon, and Wisconsin in response to complaints from advocacy groups and a Member of Congress. Each of these reviews identified barriers that have made the program less accessible to eligible people.

New York City

In March 1998, New York City began converting welfare offices to job centers. The job centers were designed to reduce dependency on government services by diverting potential applicants from government programs by requiring them to find employment or other, private sources of assistance. For example, to be eligible for TANF and food stamps, applicants first had to search extensively for a job and explore alternative resources, such as private food pantries, family, or friends. In November 1998, FNS launched a review of access to New York City's Food Stamp Program after receiving complaints from advocacy groups that needy individuals were not being given the opportunity to apply for food stamps during their first visit to a job center.

FNS' review of two New York City job centers found many barriers to access, including impediments to the timely processing of applications, the imposition of eligibility standards not authorized under the Food Stamp Act, and a lack of effective oversight of local districts' operations by the state agency. In particular, FNS found that New York City violated federal law because caseworkers (1) did not permit households to apply for food stamps during their first visit, (2) did not inform applicants about the availability of food stamps if the applicants either were denied TANF benefits or accepted a diversion payment,¹ and (3) frequently denied food stamp benefits to applicants for failure to participate in a job center's employment-related activities or Eligibility Verification Reviews. In addition, the food stamp director of FNS' Northeast regional office told us that job center staff were informing applicants that expedited food stamps were no longer available, refusing to accept food stamp applications because it was "too late" in the day, and encouraging applicants to withdraw their food stamp applications. Because these policies violate the Food Stamp Act, FNS ordered New York to submit a corrective action plan to resolve the identified problems. In response, New York State and New York City officials have stated that some job center practices help end government dependency, prevent fraud, and protect applicants' rights. According to FNS, New York City officials believe they have the right to

¹New York City's job centers included a brochure explaining food stamp eligibility in their application packages, which were made available only after applicants returned for a second visit. In contrast, Alaska has mailed food stamp notices to many households.

**Appendix III
FNS' Program Access Reviews Reveal
Barriers to Participation**

interpret the Welfare Reform Act for themselves and develop policies and procedures on the basis of their interpretations because FNS has not issued regulations that implement the Welfare Reform Act's revisions. Nevertheless, New York State submitted a corrective action plan that FNS concluded was generally responsive to its findings; however, FNS notified New York State officials that if the corrective action plan was not implemented by May 1999, it would institute a fine of \$5 million every 3 months. In April 1999, New York City officials implemented New York State's corrective action plan, addressing FNS' concerns.

To reduce their welfare rolls, 22 states, including New York, are currently using diversion payments, or onetime, lump-sum cash payments, which are designed to keep people off welfare by eliminating their need for assistance. While accepting a diversion payment disqualifies an applicant from the TANF program for a specified time, it does not affect the applicant's food stamp eligibility, and the states have a legal obligation to inform applicants that they can still apply for food stamps. All 22 states reported that they have procedures in place for ensuring that qualified applicants are told of their right to apply for food stamps. However, FNS found that applicants in New York City's job centers were not being told of the availability of food stamps if they accepted a diversion payment.

Portland, Oregon

In December 1998, FNS reviewed clients' access to the Food Stamp Program at three Portland-area offices after an advocacy group complained that food stamp applicants' rights were being violated. FNS found that the offices' procedures could hinder participation by forcing food stamp applicants to return on a second day before meeting with an eligibility worker. During its on-site review, FNS found that food stamp applicants and current participants could make an appointment to meet with a food stamp eligibility worker to apply or seek recertification for food stamps only between 7:30 a.m. and 8:30 a.m. (The office would give an application to an applicant arriving after 8:30 a.m. but would ask the applicant to return on another day for an appointment.) FNS observed that more applicants were showing up during this 1-hour period than could possibly be served in a single day. Hence, an applicant could wait all day, only to be told at the close of business to return on another day. FNS ordered Oregon to submit a corrective action plan that outlined how this situation and other identified problems would be resolved. Although Oregon officials questioned some of FNS' findings and recommendations, they submitted a corrective action plan that addressed FNS' concerns.

**Appendix III
FNS' Program Access Reviews Reveal
Barriers to Participation**

Milwaukee, Wisconsin

Wisconsin has privatized 13 welfare centers, including 6 centers in Milwaukee that serve Wisconsin's TANF and Food Stamp programs. In the privatized centers, various nonprofit and for-profit organizations administer the TANF program while county employees administer the Food Stamp Program. In March 1999, FNS reviewed participants' access to the privatized welfare centers after receiving a letter from a Member of the Congress, who expressed concern that the efforts to divert TANF applicants may also limit clients' access to the Food Stamp Program.

Although FNS found that some practices violated federal regulations, it did not find that applicants were being intentionally diverted from applying for food stamps in the two centers reviewed. However, FNS observed that diversion might be occurring unintentionally because staff at the centers were not (1) informing clients of their right to file a food stamp application on the day of their first contact with the office and (2) providing a food stamp application to those who asked for one. In addition, clients' work schedules were not taken into account when recertification interviews were scheduled, and one center did not accept food stamp applications after 4 p.m.

Furthermore, the centers did not make informational brochures on the Food Stamp Program readily available and did not display posters outlining food stamp applicants' rights. According to FNS officials, when these signs are posted in welfare centers, applicants have an opportunity to read about their rights as food stamp applicants and obtain telephone numbers to use if they believe they are being treated unfairly. Five of seven food stamp directors in FNS' regional offices believe the signs are helpful for ensuring that food stamp applicants know and understand their rights. FNS officials stated that while FNS cannot require that welfare centers post signs to inform applicants of their rights, FNS has the authority to require that welfare centers find alternative means of providing information to applicants about their rights if posters are not used.² In a February 5, 1999, letter, FNS told New York State that it must "post signs or make available other advisory materials explaining an applicant's right to file and the application processing procedures. . . ." USDA's Office of General Counsel concurred with this statement.

²In Apr. 1999, FNS implemented a toll-free 800 number that customers can call to receive information about the Food Stamp Program.

Appendix IV

States Reviewed by FNS Concerning Participants' Access to Food Stamp Benefits, Fiscal Years 1997-99

State	Fiscal year 1997	Fiscal year 1998	Fiscal year 1999
Alabama		X	^b
Alaska	X		^a
Arizona			^b
Arkansas	X	X	^b
California	X	X	^b
Colorado	X	X	X
Connecticut		X	X
Delaware			^b
Florida		X	X
Georgia		X	^b
Hawaii	X		
Idaho	X		^b
Illinois			
Indiana			
Iowa	X	X	^b
Kansas	X	X	X
Kentucky		X	
Louisiana	X	X	X
Maine		X	
Maryland			X
Massachusetts		X	
Michigan			
Minnesota			
Mississippi		X	
Missouri	X	X	^b
Montana	X	X	X
Nebraska	X	X	X
Nevada			X
New Hampshire		X	
New Jersey	X		^b
New Mexico	X	X	^b
New York			X
North Carolina		X	^b
North Dakota	X	X	^b
Ohio			
Oklahoma	X	X	^b
Oregon	X		X ^c
Pennsylvania		X	^b

(continued)

Appendix IV
States Reviewed by FNS Concerning
Participants' Access to Food Stamp
Benefits, Fiscal Years 1997-99

State	Fiscal year 1997	Fiscal year 1998	Fiscal year 1
Rhode Island		X	
South Carolina		X	
South Dakota	X	X	^b
Tennessee		X	
Texas	X	X	^b
Utah	X	X	X
Vermont			
Virginia			^b
Washington		X	X
West Virginia	X	X	^b
Wisconsin			X ^c
Wyoming	X	X	^b
District of Columbia			^b
Total	22	32	14

^aThe FNS regional office has yet to determine what functional areas will be included in reviews of the states' operations.

^bFNS regional offices plan to review program access in these states.

^cFNS conducted program access reviews in Oregon and Wisconsin in response to complaints during fiscal year 1999.

Source: FNS regional offices.

Appendix V

Comments From New York State

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



George E. Pataki
Governor

NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE
40 NORTH PEARL STREET
ALBANY, NEW YORK 12243-0001

Brian J. Wing
Commissioner

June 16, 1999

Lawrence J. Dyckman
Director, Food and Agriculture Issues
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Dyckman:

Thank you for affording us the opportunity to comment on portions of your proposed report entitled Food Stamp Program: A Strong Economy and Legislative Reforms Are the Main Reasons for Declining Participation (GAO/RCED-99-185) relating specifically to New York State.

Because we have not had the opportunity to review the entire draft report, we are concerned that the portions of the report you sent us, when placed in context, could convey the false impression that New York State's decline in participation in the Food Stamp program and the reasons for that decline are inconsistent with national trends. However, this is clearly not the case. A comparison of statistical data for the decline in food stamp participation for New York State and the nation demonstrate that New York State's experience either mirrors or is below the national trend for various time periods between 1994 and 1999. We request that your report be clarified to reflect that New York State's food stamp participation rates are consistent with the national trend.

Following are our comments on several of the matters raised:

- The report relies upon the Food and Nutrition Service (FNS) review entitled "New York Program Access Review, November-December 1998". This report was based on a review that was limited to two Job Centers in New York City at a time when such centers were first being created. The Job Centers differ markedly from more traditional income maintenance and food stamp centers in New York City that service the majority of New York City's food stamp applicants/recipients. Job Centers have an innovative approach to

See comment 1.

See comment 2.

Appendix V Comments From New York State

application processing and promoting independence and employment. It was only in these two centers for a period of two months, at the beginning of the program, that the FNS identified problems. This clearly could not have had a significant impact on New York State food stamp participation rates, which, as stated above, mirror the national trend.

Since we are addressing only an excerpt of the proposed report, we are unable to determine if the report treats the Job Center review as emblematic of the State's entire program. It would be a serious error to do so. The problems found at two Job Centers at a particular time in New York City are not representative of the State's entire program or even of the program in New York City. In the State's other income maintenance and food stamp centers, we have always provided applications and client booklets that give clients information about filing rights, expedited service as well as other client rights and responsibilities on the day of initial contact. The Job Center applications, booklets and other forms and procedures have now been revised to assure compliance with food stamp requirements.

- The State and City have objected to the failure of the FNS to promulgate regulations implementing the PRWORA provisions. It is now three years since PRWORA was enacted, and the United States Department of Agriculture (USDA) has still not promulgated regulations to assist the states in implementation. The PRWORA, while maintaining the federal Food Stamp program, eliminated many specific food stamp requirements in order to provide states more flexibility to design programs that would best serve their constituents. Yet, in their review of the Job Centers, the FNS report cited deficiencies based upon regulations that are not in conformity with the PRWORA. Attached please find correspondence from our Office to Secretary Glickman, dated January 14, 1999, articulating our position on this issue.

- As part of its response to the FNS' findings, New York State recently released an informational letter to all local social services districts to remind them of the basic food stamp application processing requirements. Additionally, a statewide teleconference was conducted on application processing and immediate needs, expedited service and the importance of separate determinations in the context of welfare reform. While New York is committed to welfare reform and cultural change, we also want to assure that basic application rights are provided. New York State has in place an aggressive monitoring plan to assure compliance with all food stamp rules and regulations. The issues raised in the GAO report have already been responded to as part of New York State's Corrective Action Plan to the FNS on their Program Access Review. Our most recent correspondence to the FNS on this issue is attached (see letter dated May 7, 1999 from Commissioner Wing to Frances Zorn). The FNS has stated that New York State has addressed the specific recommendations contained in their report. Accordingly, the FNS has placed its formal warning on the program access issues in abeyance. (See letter dated June 4, 1999, from Frances Zorn to Commissioner Wing, attached.) We also call your attention to our February 22, 1999 letter explaining the operation of our Eligibility Verification Review (EVR) procedures and its relationship to the eligibility process. (See letter from Patricia Stevens to Robert Canavan, attached.)

See comment 3.

See comment 4.

**Appendix V
Comments From New York State**

See comment 5.

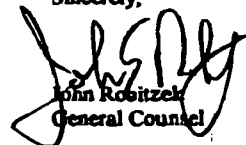
• New York State is committed to helping people achieve self-sufficiency. This includes providing people with the supports needed to help them to achieve or maintain independence. Although diversion is a significant component of our program, it should not be seen as merely discouraging individuals from taking assistance or giving them a one-time payment to disqualify them from assistance. Diversion, properly done, involves quick intervention to connect or reconnect individuals to employment or a one-time payment to avert a financial emergency that could otherwise result in long-term dependency. The Food Stamp program is seen as a primary vehicle to help families maintain self-sufficiency.

See comment 6.

In short, we believe that the title of your report accurately reflects the status of the Food Stamp program in New York State. It would be a mistake to distort that record by reference to the FNS review of New York City Job Centers. The report is not reflective of the current process in the New York City Job Centers or in the rest of New York State.

Thank you for the opportunity to comment.

Sincerely,



John Robitsek
General Counsel

cc: Brian J. Wing
Daniel Hogan
Patricia A. Stevens
John P. Bailly
Frances Zorn
Robert Canavan

Appendix V
Comments From New York State

GAO's Comments

The following are GAO's comments on New York State's letter dated June 16, 1999.

1. This report does not discuss participation in individual states.
2. This point is clarified on page 12 of the report.
3. This point is clarified on page 13 of the report.
4. This point is clarified on page 13 of the report.
5. This report does not discuss individual states' perceptions of the role of the Food Stamp Program.
6. We disagree. The three USDA reviews discussed in this report identified barriers that have made the Food Stamp Program less accessible for eligible people.

Appendix VI

Comments From Wisconsin

Tommy G. Thompson
Governor

Linda Stewart, Ph.D.
Secretary

J. Jean Rogers
Division Administrator



State of Wisconsin

Department of Workforce Development

ECONOMIC SUPPORT
201 East Washington Avenue
P.O. Box 7935
Madison, WI 53707-7935
<http://www.dwd.state.wi.us/>
e-mail: DWDES@dwd.state.wi.us

June 15, 1999

Ms. Nikki Clowers
US General Accounting Office
441 G. St. NW, Room 2T23
Washington, DC 20548

FAX (202) 512-9936

Dear Ms. Clowers:

Thank you for the opportunity to review and comment on the draft report from the US General Accounting Office on changes in the participation levels of the Food Stamp Program.

In the paragraph entitled, "Three Regional FNS Reviews Reveal Barriers to Participation", it should be noted at the outset that the Food and Nutrition Service (FNS) found no evidence of intentional diversion of any participants from the Food Stamp Program in Wisconsin. It should also be noted that although staff at the W-2 agencies did not always inform applicants of their right to file a food stamp application on the day of their first contact with the W-2 agency, applicants were and are given the opportunity to file a food stamp application by completing Client Registration in the Client Assistance for Re-employment and Economic Support (CARES) system on their first day of contact. There is a qualitative difference between not informing a person of his rights and not giving the person his rights. FNS did not find that applicants were not allowed to apply for food stamps the first time the person contacted the agencies.

In the first section and in the section entitled, "FNS Program Access Reviews Reveal Barriers to Participation", please clarify that FNS was concerned with a failure to offer paper food stamp applications to persons who requested assistance. In Wisconsin, clients who appear personally in the Food Stamp Office do not routinely fill out paper applications. Clients initiate and complete their FS application with a worker using the interactive interview in the CARES computer system. The first brief section of the interactive interview, Client Registration, occurs on the day of first contact. It establishes the filing date, determines whether the applicant is potentially eligible for expedited food stamps and schedules a regular or expedited eligibility interview. The application is printed out after the registration interview and signed by the client.

The use of a computer-generated application is more convenient for clients and workers and has been approved by FNS. FNS' concern in Milwaukee was that in the rare situation where the applicant could not complete Client Registration in CARES on the date of first contact, the person had to be offered a paper application that could be filed out and was sufficient to set the filing date for the food stamp application. Wisconsin has developed such a form and is distributing it to agencies statewide.

023-2100-2 (R. 05/99)

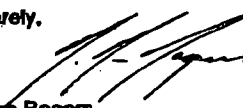
Appendix VI
Comments From Wisconsin

Ms. Nikki Clowers
June 15, 1999
Page 2

In addition to creating a two page paper application registration form, Wisconsin has also notified all agencies by letter and Operations Memo that posters and publications on the Food Stamp Program must be visible and accessible to people coming into any agency, including outstations, where Food Stamp applications are accepted. Agencies have been reminded of the need to inform applicants of their right to apply for food stamps and be considered for expedited food stamps the first time that applicants contact the food stamp agency.

Again, thank you for the opportunity to review and comment on the sections discussing Wisconsin in the draft report. I look forward to reading the entire report when it is released in July 1999.

Sincerely,



J. Jean Rogers
Administrator

Appendix VII

GAO Contacts and Staff Acknowledgments

GAO Contacts

Lawrence J. Dyckman (202) 512-5138
Richard Cheston (202) 512-5138

Acknowledgments

In addition to those named above, Carl Christian, Nikki Clowers, Donald Ficklin, and Luann Moy made key contributions to this report.

JUL-29-1999 18:18 FROM

TO

12025852525

P.02

97qrrzyc

1

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

-----X

3 LAKISHA REYNOLDS, et al.,

4 Plaintiffs,

5 v.

98 Civ. 11877 (WHP)

6 RUDOLPH GIULIANI, as Mayor
7 of the City of New York, et al.,

8 Defendants.

Telephone Conference

-----X

9 New York, N.Y.
10 July 26, 1999
2:30 p.m.

11 Before:

12 HON. WILLIAM H. PAULEY, III

13 District Judge

14 APPEARANCES

15 MARC COHAN

16 Welfare Law Center

17 HWAN-HUI HELEN LEE

The Legal Aid Society

18 MARY ELLEN BURNS

Northern Manhattan Improvement Corp.

19 CONSTANCE CARDEN

NEW YORK LEGAL ASSISTANCE GROUP

Attorneys for Plaintiffs

20 MICHAEL D. HESS

21 Corporation Counsel for the

City of New York

22 BARBARA BUTLER

Assistant Corporation Counsel

23 ELIOT L. SPITZER

24 Attorney General for the

State of New York

25 JAMES M. HERSHMAN

Assistant Attorney General

SOUTHERN DISTRICT REPORTERS (212) 805-0300

JUL-29-1999 18:18 FROM

TO

12029652525 P.03

97qrreyc

2

Conference

1 THE COURT: Good afternoon, this is district Judge
2 Pauley. You are on a speakerphone, and I have a court
3 reporter here taking down what is being said.

4 I put this matter down for a conference. We were
5 supposed to commence an evidentiary hearing at the o'clock
6 today. Imagine my surprise when I learned on Friday afternoon
7 at about 4 o'clock that the defendants are seeking an
8 adjournment. What is the story, Ms. Butler?

9 MS. BUTLER: Well, your Honor, after the expert, the
10 defendants' expert, had sat down and gone over the various
11 audits, etc, together with the people from IMA, believed that
12 it would be appropriate to revise the auditing system, and in
13 fact they are in the process of doing that. It did not seem
14 to be as worthwhile to proceed when there was going to be new
15 auditing mechanism. given your Honor's decision that you
16 wanted to review what the monitoring system was, to see that
17 it was reliable and what it was reporting.

18 That is the reason, since there is going to be a new
19 system in place, for requesting an adjournment, so there will
20 be an opportunity to use the new auditing mechanism and
21 present that to the plaintiffs and then to the Court if the
22 plaintiffs aren't satisfied with it.

23 THE COURT: As I understand it from the papers, there
24 are two systems of auditing that are currently in place.

25 MS. BUTLER: Yes, your Honor.

SOUTHERN DISTRICT REPORTERS (212) 805-3300

JUL-29-1999 18:18 FROM

TO

12029662525 P.04

3

97qrreyc

Conference

1 THE COURT: Which I will refer to by their acronyms
2 as FIA and OQA, which I think are family independence
3 administration or audit and the office of quality assurance
4 audits.

5 MS. BUTLER: Yes, your Honor. They are actually
6 going to be combined and they are going to be doing one audit.

7 THE COURT: Where is Mr. Pines?

8 MS. BUTLER: He is out of the office today, your
9 Honor.

10 THE COURT: I reflect back to the city defendants'
11 insistence that this hearing proceed no later than the end of
12 June, and then the city's disappointment at the fact that the
13 hearing had to be adjourned a week and a half because of an
14 ongoing jury trial that I had that had run overtime. My
15 schedule is not such that I can just reschedule this at a
16 moment's notice.

17 How much time does the city want?

18 MS. BUTLER: I had a discussion with Mr. Cohan this
19 morning, and we were talking in terms of having a control date
20 with your Honor at the end of August, then mid September for a
21 hearing date.

22 THE COURT: Mid September is smack in the middle of a
23 very busy trial schedule that I have established, including a
24 case that I am not going to move that involves a lot of
25 sophisticated banking issues and is a bench trial. I

JUL-29-1999 18:19 FROM

TO

12029652525 P.05

97qrreyc

4

Conference

1 constantly hear the city importuning me to have hearings and
2 decide things promptly and that the HRA hangs in the balance,
3 yet on the Friday afternoon before a Monday hearing I am first
4 being notified that the parties want an adjournment, and I
5 reckon just sort of presume that they are getting the
6 adjournment.

7 MR. COHAN. Your Honor, if I may, on behalf of the
8 plaintiffs?

9 THE COURT: Yes, Mr. Cohan,

10 MR. COHAN: Just for the purposes of clarification,
11 if I may, on a couple of the issues at the outset. Plaintiffs
12 are not joining the city in the request for the adjournment.
13 We take no position, since it was their application for a
14 modification of the stay. We found out also on Friday, your
15 Honor.

16 On the question of when the hearing date would take
17 place, we also have not made a joint request for mid
18 September. We communicated to the city both on Friday and
19 earlier today that, in order for us to take any position on
20 the new monitoring that the city has chosen to do, we would
21 need to see a new instrument and also to see how the
22 instrument is used in the field and what the monitoring
23 results reveal about the city's performance.

24 We opined to Mr. Pines on Friday and Mr. Butler today
25 that we didn't know how it would be possible to have the new

JUL-29-1999 18:15 FROM

TO

12029662525

P.06

97grreyc

5

Conference

1 monitoring in place actually used and the results available
2 any time before mid September. We are certainly of the view
3 that it is in the city's interest to go forward. They
4 probably would be best served by withdrawing their application
5 at this point and notifying both the plaintiffs and the Court
6 if at some point in the future they are feel they are ready to
7 modify the existing preliminary injunction.

8 The other thing we offered the city was that -- there
9 had been some back and forth between the two expert reports
10 and depositions of each of the respective experts. We have
11 offered to have our expert, either with or without counsel
12 present, join with their expert Ms. O'Neill to work out some
13 of the issues in the hopes that, if we could do this
14 collaboratively, it might obviate the need for a court
15 appearance, at least on some of the issues, including the
16 auditing instrument.

17 We of course are glad that the city has decided to
18 take a second look at this. As your Honor will note from the
19 papers we have submitted, we had serious reservations.
20 However, we believe it is immature at this time to talk about
21 a hearing until we have had an opportunity to see what the
22 city's efforts are. We may find that, particularly if the two
23 experts work together, that we will have taken care of many of
24 the issues in dispute.

25 THE COURT: Ms. Butler, what do you have to say about

JUL-29-1999 18:20 FROM

TO

12029852525 P.07

97qrryc

6

Conference

1 that? It makes a great deal of sense to me.

2 MS. BUTLER: Your Honor, we certainly have discussed
3 with Mr. Cohan the possibility of the experts talking to each
4 other and seeing the extent to which there can be elimination
5 of some of the issues, which was one of the reasons why Mr.
6 Cohan had suggested having a control date at the end of
7 August. The concern, however, is that in the event that
8 either -- I shouldn't say either -- that there is no meeting
9 of minds between the parties as to what the new auditing
10 instrument should look like or what the procedure should be,
11 that there wouldn't be a court date for having a hearing to
12 resolve whatever the issues were that were left.

13 THE COURT: It seems to me that we are now dealing
14 with a rolling target. Having spent a considerable amount of
15 time plodding through the volumes of materials that both
16 parties have submitted and also using the resources of my law
17 clerks to that end, it now sounds like much of the work that
18 we did in preparation for the hearing has been obviated by the
19 city's decision to recast its auditing procedures. Would you
20 agree with that?

21 MS. BUTLER: Your Honor, I'm not sure that I would
22 say that much of the work would be obviated in terms of coming
23 to an understanding of the new process, which is based on what
24 all that is all about and understanding if what was done is
25 something that would have had to be done in any event.

JUL-29-1999 18:28 FROM

TO

12029812525 P.08

97qrreyc

7

Conference

1 THE COURT: That may be true for you as a litigant,
2 but it is certainly not true for the Court, which simply has
3 to make a decision about the adequacy of the audit procedures.
4 While you have the resources to spend all of your time on it.
5 I have other cases that I have to deal with. No, I find that
6 this case is really interfering with my own docket control.

7 MS. BUTLER: Yes, your Honor.

8 THE COURT: I accepted only for this time the
9 apparent presumption by the city that the matter was being
10 adjourned. But one way or another, a hearing would clear the
11 air, and you are wreaking havoc with my docket.

12 MS. BUTLER: I apologize for that, your Honor.

13 THE COURT: But you want to continue to wreak havoc
14 with my docket by setting another date artificially close to
15 the time in which you are going to first institute some new
16 audit procedure that is going to have to be the subject of
17 tests by plaintiffs if they can't reach common agreement with
18 you, which will then lead to another spate of papers by both
19 sides and will result, quite frankly, in me taking these
20 cartons of documents that have already been submitted and
21 sending them to storage, because nobody is going to be
22 inviting me to review that which has already been superseded
23 by a new audit process. Are you?

24 MS. BUTLER: Except as a basis for understanding the
25 new, no, your Honor.

97qrreyc

8

Conference

1 THE COURT: I don't need to look at the old to
2 understand the new. I only have to come to a determination
3 about the effectiveness of the audit procedure that the city
4 intends to stand by. Apparently, contrary to all of the
5 representations that have been made by the city to the Court
6 since June, and, before that, back in January, when the
7 commissioner himself was telling me in court that the whole
8 system would come to a halt if they didn't have a review of it
9 by March, it now appears to me that it can go on indefinitely
10 and that really there is no great urgency to the city's
11 application.

12 I am not going to require the city to withdraw its
13 application. But if the city thinks that it is going to have
14 its new procedure in place by the end of August, I'll tell you
15 right now that I am not setting a hearing in this case for a
16 period of time until the plaintiffs have an opportunity to
17 test it. Otherwise, we will be conducting discovery on the
18 stand, and that I am not going to do.

19 MS. BUTLER: Your Honor, I don't think that it is a
20 question of having the new procedure in place by the end of
21 August, because, in terms of developing the new mechanism, it
22 doesn't have to simply be applied to the August audit. For
23 purposes of making sure that it is efficient and effective, it
24 can be applied to other months so that there is a background
25 or a sufficient basis to determine whether or not it is going

JUL-29-1999 18:21 FROM

TO 12029862525 P.10

97qrreyc

9

Conference

1 to function. The HRA believes is that they can put that
2 together in the next few weeks and have that over to the
3 plaintiffs, so that they can do whatever review they need to
4 do in order to have a proceeding in mid September.

5 MR. COHAN: Your Honor, if I may be heard as to that.
6 This is Marc Cohan again. There may be three separate pieces
7 of this that would seem we would want to be mindful of. The
8 first concern that we had was not only that the audit
9 instrument be revised.

10 The second concern we raised in our papers and were
11 prepared to raise at the hearing is that the people
12 responsible for conducting the audit were pursuing certain
13 protocols with a methodology that doesn't include double
14 counting cases and some of the other concerns.

15 The third concern we had was that the audit was only
16 one piece step of this. They actually have to produce results
17 and the results have to satisfy the Court that in fact they
18 are addressing the concerns that have been identified with in
19 the Court's January preliminary injunction.

20 We were hoping that, just to make this as efficient
21 as possible, we will be able to assess all three of those
22 pieces by being able to get the audit results, do any
23 depositions or look at the underlying audit forms as we did
24 last time. We would want to make sure that they are
25 representing that all of that will be done in the next several

JUL-29-1999 18:22 FROM

TO

12029852525 P.11

97qrreyc

10

Conference

1 weeks, because we obviously don't want to be in a position to
2 ask that any hearing be postponed any later because we have
3 not been able to fully and fairly been able to conduct
4 discovery.

5 Again, your Honor, the schedule may change if in fact
6 they take us up on the offer to work with our expert to try to
7 come to some agreement.

8 THE COURT: Ms. Butler, I can only tell you that to
9 the extent that the city wants an adjournment, I am prepared
10 to grant it. But I can grant it for August 16th or else all
11 bets are off, because I have a series of trials starting in
12 early September and continuing into November, one of which is
13 a criminal case that will take a considerable amount of time.
14 This is not going to be a situation where, having let the date
15 go, you are going to get a hearing on demand.

16 MS. BUTLER: I understand, your Honor.

17 THE COURT: So we may well be looking at the end of
18 November or December, unless the city is ready to proceed on
19 August 16th.

20 MS. BUTLER: I don't see how it can proceed on the
21 16th, your Honor. But if that is the only date we have, if I
22 could talk to HRA to see what they would be able to do by
23 then. I just don't know that it is possible.

24 MR. CORAN: Your Honor, keep in mind that with the
25 August 16th date we would still need an opportunity to review

JUL-29-1999 18:22 FROM

TO 12029852525 P.12

97qrrc

11

Conference

1 any new monitoring.

2 MS. BUTLER: That is true too.

3 THE COURT: So that is really an unrealistic date.

4 MS. BUTLER: Yes. I had forgotten that.

5 THE COURT: You are not in a position at this
6 juncture to even tell me when the new revised system of
7 auditing will be in place. Absent that, how can we entertain
8 any kind of a date? It seems to me that you are using the
9 Court for a purpose that the Court is really not intended to
10 be used, and that is for the parties to be moving forward on
11 an audit procedure. I am here to resolve disputes. It would
12 have been just as easy for me to deny the application of the
13 city and go forward with the hearing today and resolve the
14 motion that is pending before me.

15 MS. BUTLER: Yes, your Honor.

16 THE COURT: Now I have a motion that is left sitting
17 in limbo for months. Perhaps the motion should be withdrawn,
18 since the record that the motion has been submitted on is
19 going to be dramatically changed as a consequence of whatever
20 it is that the city does either on its own or in league with
21 the plaintiffs and their expert.

22 Why don't you consider these matters with your
23 principals and with Mr. Pines.

24 MS. BUTLER: Yes, your Honor.

25 THE COURT: I have a calendar to manage. The

JUL-29-1999 18123 FROM

TO

12029862525 P.13

97qzreyc

12

Conference

1 management of your own litigation and when you are going to be
2 ready for a hearing should really be left up to the lawyers.
3 I have until this point given this case top priority based
4 upon the representations that were made, but I find now that
5 my belief is being strained. I moved three different cases to
6 create time for the trial of this case this week.

7 MS. BUTLER: Again I apologise for that, your Honor.

8 THE COURT: You see, it all could have been avoided,
9 and you know it as well as anyone, having been a litigator for
10 many years. You don't wait until Friday afternoon to decide
11 that an extensive evidentiary hearing should be adjourned.

12 Communicate my dissatisfaction with the city's
13 conduct to your principals.

14 MS. BUTLER: Yes, your Honor.

15 THE COURT: I am not giving you a date now, because
16 you are not prepared to commit to a date.

17 MS. BUTLER: Yes, your Honor.

18 THE COURT: Discuss with the plaintiffs' counsel,
19 whenever it is that you are prepared to proceed, when they
20 feel they would be ready, because I don't have to referee
21 that. They were the ones who wanted time earlier to prepare
22 for that hearing, and it was the city that objected and was
23 pressing ahead.

24 MS. BUTLER: Yes, your Honor.

25 THE COURT: In the meantime, what would you like me

JUL-27-1999 18:23 FROM

TO

12829812525 P.14

97qrreyc

13

Conference

1 to do with this motion that you have pending that is
2 cluttering my docket?

3 MS. BUTLER: For the moment, your Honor, we would
4 like to leave it pending.

5 THE COURT: It's moot, isn't it? Isn't it moot, Ms.
6 Butler?

7 MS. BUTLER: In what respect, your Honor? There is
8 still the --

9 THE COURT: If it is not moot, then let's have
10 argument on it this afternoon and I will decide the motion,
11 because that is my function, to decide motions.

12 MS. BUTLER: I understand your Honor's position as to
13 what your role is. However, again, the application, as I
14 understand it, is one to allow the city to open up all or more
15 of the job centers, and your Honor's concern had to do in the
16 last decision with what the auditing procedures were. The
17 city still has an interest, a very strong interest, in being
18 able to open up job centers. That certainly has not gone
19 away.

20 The question really is again the auditing mechanisms
21 and the city's belief that, since they are reviewing and doing
22 a different system, plaintiffs would be, if we had proceeded
23 with the hearing, saying, well, the Court can't consider now
24 the adequacy of the audit because there is going to be a new
25 one. That again does not eliminate the need and the desire to

JUL-29-1999 19:23 FROM

TO 12029812525 P.15

97qrryc

14

Conference

1 be opening up job centers, even if it is not immediately today
2 because of the new auditing procedures.

3 THE COURT: But on the record that you have on this
4 motion, you basically conceded at the outset of this
5 conference that you are not prepared, the city is not
6 prepared, to proceed.

7 MS. BUTLER: That is correct, which is why the city
8 is asking for an adjournment.

9 THE COURT: Right. Therefore, why shouldn't I simply
10 send the two feet of paper that I have received on this motion
11 to the files? What use is going to be made of that in
12 September or October or December or sometime next year,
13 whenever it is, that the city gets around to revising its
14 procedure, either with the consent of the plaintiffs or with
15 continued litigation?

16 Let's assume for a moment that the plaintiffs object.
17 We will be back into another round of discovery with respect
18 to the adequacy of the city's revised auditing procedures and
19 what the results show, and whether the samples are random or
20 systematic and all the other issues that the experts have put
21 into play.

22 MS. BUTLER: That is true, your Honor, yes, if there
23 isn't an agreement.

24 THE COURT: So isn't the current motion moot?

25 MS. BUTLER: I can only repeat what I said before.

JUL-29-1999 18:24 FROM

TO

12029852525 P.16

97qrreyc

15

Conference

1 your Honor, that in the context of the city's need to be able
2 to open up the job centers, that hasn't gone away. It is a
3 question of the adequacy of the auditing that is going to be
4 done.

5 THE COURT: Right. Well, in light of the city's
6 concession that the auditing procedures that are in place at
7 the current time are not sufficient, the city defendants'
8 motion to modify the preliminary injunction is denied, without
9 prejudice to renewing the motion upon application to the Court
10 when the city is ready to proceed with its revised audit
11 procedure.

12 MS. BUTLER: Yes, your Honor.

13 THE COURT: All of this paper that I and my clerks
14 have waded through can now be sent to the file, except that I
15 will enter an order sealing the seven volumes of exhibits on
16 the grounds that they contain Social Security numbers and
17 names of applicants and that it would simply be far too
18 burdensome to try to redact that material.

19 Is there anything further that we need to address at
20 this time?

21 MR. COHEN: Not from plaintiffs, your Honor.

22 MS. BUTLER: In light of your Honor's denying the
23 motion without prejudice, I don't think so.

24 THE COURT: Very well. Have a good day.

25 (Adjourned)

TOTAL P.16

TOTAL P.16

Here's some more info on the possible event we discussed. The point-of-contact at 3Com is Greg Garcia, who can be reached at 202/661-4608.

Join 3Com to announce grant to help small businesses bridge the digital divide. The Vice President could join 3Com and the YWCA to announce the first winner of the "Connected Entrepreneur" award, which will spotlight successful small businesses that use networking technology to offer innovative products and/or services to their communities. This program is consistent with ideas that may be included in the State of the Union. (The first grant winners are still TBD, but about \$1 million will likely go to about ten winners.) 3Com's Connected Entrepreneur Award will be given each calendar quarter, with the first small business scheduled to be honored on February 8, 2000 in New York City at the YWCA headquarters. Note: They are willing to be flexible to get a principal involved. The second award will be given in May 2000 to coincide with National Small Business Week sponsored by the U.S. Small Business Administration.

Patti + Neel

As you can see, this invite originally went to the VP's office. VP's office sent it our way because they thought HRC might want to do an event on the Digital Divide with this corporation (makers of the Palm Pilot).

It might be a good thing to do, and they would love to do it with all

-Ruby

Honorable Albert Gore Jr.
Vice President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

3Com Corporation
5400 Bayfront Plaza
Santa Clara, CA 95052

YWCA of the U.S.A.
350 Fifth Ave./Ste 301
New York, NY 10118

Dear Vice President Gore,

RE: Bridging the Digital Divide



On behalf of 3Com Corporation and the YWCA of the U.S.A., we invite you to participate in the inaugural award ceremony of 3Com's recently launched Connected Entrepreneur program on February 8, 2000, in New York City.



The goal of this quarterly program is to spotlight "economic heroes" who have created successful small businesses in economically challenged areas. Our program honors these heroes by awarding them a network technology grant from 3Com. By recognizing these individuals and the importance of information technology, 3Com and the YWCA of the U.S.A. aim to provide outstanding examples for communities faced with barriers to success in business, and life.

In today's information driven society, a gap has developed between information technology haves and have-nots. Often, women and minorities are the have-nots. Despite many recent advances, minorities and women still face a large digital divide. We want to make a meaningful contribution toward changing this trend.

3Com will award economic heroes by providing their small businesses with the technology tools that enable them to continue to thrive. In return, the honorees commit to mentor young girls and others who come to the YWCA for assistance. 3Com will also award technology grants to YWCA TechGYRS programs throughout the country.

As a leader in championing access to information technology, you are invited to be the featured participant for our event. Please contact our offices if you could join us to address this important matter.

We believe your participation in this event would have a major impact in raising awareness of this critical issue.

Sincerely,

Eric Benhamou
Chief Executive Officer
3Com Corporation

Priya Mathai-Davis
Chief Executive Officer
YWCA of the U.S.A.

December 23, 1999

Honorable Albert Gore Jr.
Vice President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20500
C/O
Lisa Berg
Director of Scheduling

RE: Bridging the Digital Divide

Dear Ms. Lisa Berg,

Please consider the attached request for the honor of the Vice President's presence at the inaugural award ceremony of the Connected Entrepreneur program on behalf of 3Com Corporation and the YWCA of the U.S.A., at the YWCA of New York City, located in midtown Manhattan.

The program is designed to spotlight "economic heroes" who have created successful small businesses in economically challenged areas, thereby creating their own Digital Opportunity. Our program honors these heroes by awarding them a network technology grant from 3Com. The event will be attended by national and local media, and will also enjoy the presence of the YWCA's TechGYRLS, as well as many prominent leaders of our nation and this city's social and business community.

We believe the event's objectives could be fully achieved with a twenty to thirty minute visit by the Vice President. We would like to propose February 8 at 10:30 a.m. as the time for the award ceremony. In view of your busy schedule, we would work to accommodate an alternative date and time to meet your schedule the week of February 7.

In recognition of the Vice President's leadership on this issue, we would be honored to have the Vice President speak during this event for as long as he may wish. Other activities will include photo opportunities and a brief opportunity for the Vice President to mingle with other guests.

The Vice President has been an inspiration to this program and those who participate in it, and we hope to share this exciting moment with him. More information about the Connected Entrepreneur program can be found at this URL: <http://www.3com.com/smallbusiness/tce/>. Please do not hesitate to call me at (212)-221-1616 should there be any further questions.

Sincerely,

Cameron Fuller
Coltrin & Associates

Connected Entrepreneur Award Ceremony

WHO: 3Com and the YWCA of the U.S.A. will award C&C Films, a minority/women owned business with the Connected Entrepreneur award. C&C is based in Brooklyn and owned by Sheila and Steve Connor.

3Com executives will be in attendance, as well as Prema Mathai-Davis, CEO of the YWCA of the U.S.A. Other special guests will include members of the YWCA's TechGYRLS program. TechGYRLS is a program designed for 9 to 13-year-old girls to raise their interest, confidence and competence in the area of technology. Business leaders from New York and the media are also invited.

WHAT: The Connected Entrepreneur award is a quarterly program that honors small business owners who understand and employ networking technology and are examples of economic success and civic responsibility in their communities. The small businesses are examples of how each company, no matter what its size, can find a way to help bridge the digital divide. C&C will receive a "technology grant" from 3Com including new PC's, a printer, 3Com's networking tools, and the owner will receive a Palm VII.

C&C already runs an active internship program that introduces high school students to technology. The company is also developing a video series and web site called AVENUE E about the adventures of fun loving puppets in their multicultural neighborhood. <http://www.ave-e.com/>

WHEN: The inaugural award ceremony is scheduled for February 8 at 10:30 a.m.

WHERE: The award ceremony will be held on location at the YWCA of the City of New York, located at 610 Lexington Ave.

sent to Patti + Evan

NATIONAL OFFICE ♦ 4351 GARDEN CITY DRIVE ♦ LANDOVER, MARYLAND 20785 ♦ (301) 459-3700

Fax Cover Sheet

To:	Ann O'Leary	From:	Cindy Brownstein
	Assoc. Director for Domestic Policy		Executive Vice President
Fax:	202/ 456-2878	Pages:	2
Phone:	202/ 456-6275	Date:	10/25/99
Re:	Letter to Mrs. Clinton	CC:	

☐ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

● **Comments:** Per my message, attached is a letter to Mrs. Clinton. Thank you for all your help.



**EPILEPSY
FOUNDATION**

NATIONAL OFFICE

4351 GARDEN CITY DRIVE
LANDOVER, MD 20785-2267

October 25, 1999

The First Lady Hillary Rodham Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC

Dear Mrs. Clinton:

The Board of Directors of the Epilepsy Foundation wishes to honor you at the Foundation's 4th Annual Distinguished Achievement Award in New York City in the Spring of 2000. Your outstanding work to support the cause of epilepsy for all Americans who suffer from this devastating disorder, serves as a beacon to others. It is because of your efforts to establish the first ever NIH Conference on Curing Epilepsy, the public attention you brought to epilepsy through the press conference held in Chicago, and the continuing legacy of the epilepsy on-line chat series that establishes you as our single most important honoree.

It is our hope that your schedule will permit your participation. In fact, we leave to you the choice of dates between late April and early May so that your office can coordinate a date that meets your scheduling needs.

The Epilepsy Foundation has a long history of advocating for all Americans with epilepsy. In addition to our ever increasing research agenda, our quality of life programs are uniquely developed to help with the day to day struggles of people with this disorder. Increasingly corporate America is recognizing the importance of employing people with disabilities. As you know Tony Coelho in his dual capacity as Chairman of the President's Task Force on the Employment of Adults with Disabilities and as Vice Chair of the Board of Epilepsy Foundation has been at the forefront in leading that effort. In fact we expect more than 300 regional and international corporate representatives supporting this important event.

Mrs. Clinton, it is our hope that you will be free to join us in New York City on this important evening and look forward to your response to this request. Please have your staff contact Cindy Brownstein, Executive Vice President at the Foundation.

Sincerely,


Martha J. Morrell, MD
Chair, Board of Directors